



Daily Report

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Daily Report

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General

Reportage Views Tokyo Meeting on Cambodia

Xu Dunxin on Cease-Fire Problems

OW2206135592 Beijing XINHUA in English
1342 GMT 22 Jun 92

[Text] Tokyo, June 22 (XINHUA)—Chinese Vice Foreign Minister Xu Dunxin said here today that successful rehabilitation and reconstruction in war-torn Cambodia depends on the implementation of the Paris peace accord.

Describing Cambodia's rehabilitation and reconstruction as an important part of the Paris agreements, Xu said "its success depends on the implementation of the agreements in their totality and, in particular, the genuine reconciliation among the Cambodian factions and their close cooperation with the international community."

Xu was speaking at a major international conference on the rehabilitation and reconstruction of Cambodia, which was hosted by Japan and the U.N. Development Program (UNDP).

Representatives of 33 countries and 12 international organizations, as well as leaders of all four warring Cambodian factions, attended the one-day ministerial-level conference .

Referring to Cambodia's peace process, Xu said China is "deeply concerned" about the current difficulties encountered in implementing the cease-fire process.

He reaffirmed China's support for Cambodia's Supreme National Council (SNC) and the U.N. Transitional Authority in Cambodia (UNTAC) in their efforts to push forward the Cambodian peace process.

Xu appealed to the Cambodian parties under the leadership of Prince Norodom Sihanouk, SNC chairman, to consider the overall national interests, earnestly implement the Paris agreements in their entirety and carry out without delay the various arrangements for the second round of cease-fire so that free and fair elections could be held in Cambodia as scheduled.

"China believes that so long as all sides concerned continue to proceed out of a genuine will to fully implement the Paris agreements and make further positive efforts towards that objective, it is possible to find appropriate solutions to the present problems and difficulties," Xu said.

Noting China and Cambodia are close neighbors, the vice foreign minister said China had for a long time made efforts for a fair and reasonable political settlement of the Cambodian problem to restore and safeguard its independence, sovereignty and territorial integrity.

Since the beginning of the transitional period, Xu said, "The Chinese Government has respected and supported

the SNC headed by Prince Sihanouk, treated the Cambodian factions equally and worked for the promotion of the Cambodian national reconciliation."

China had also provided the Cambodian parties with economic and humanitarian assistance through the SNC on the basis of full respect for the sovereignty of Cambodia and without attaching any political conditions, Xu said.

He said China had promptly paid in full its first part of assessed contributions and sent 400 engineers to assist UNTAC in restoring the infrastructure in Cambodia.

In response to the U.N. secretary general's call, China had decided to offer more aid to the SNC and is ready to cooperate with other donor countries bilaterally or multilaterally during the transitional period in a common effort for the rehabilitation and reconstruction of Cambodia, Xu said.

He said China would also take an active part in the work of the International Committee on the Reconstruction of Cambodia.

On the ongoing conference, Xu said it was a testament to the attention and support given by the international community to the rehabilitation and reconstruction of Cambodia.

Undoubtedly, external assistance will greatly contribute to the Cambodian rehabilitation and reconstruction. Yet, in the final analysis, the success of such endeavor depends primarily on its own people, Xu noted.

The Chinese vice foreign minister expressed his belief that, under the leadership of Prince Sihanouk, the Cambodian people would overcome the difficulties on their road ahead and realize their long-cherished wish of rebuilding their homeland.

Japan Backs Reconstruction Efforts

OW2206055392 Beijing XINHUA in English
0524 GMT 22 Jun 92

[Text] Tokyo, June 22 (XINHUA)—Japanese Prime Minister Kiichi Miyazawa said today Tokyo would support United Nations efforts to achieve peace in Cambodia and help in its rehabilitation and reconstruction.

Miyazawa made the statement at the opening session of an international conference on Cambodia which is being held at a Tokyo hotel.

"Japan for its part is determined to extend necessary cooperation to the important undertaking of rehabilitation and reconstruction in order to support the peace process," Miyazawa said.

Representatives from 33 countries and 12 international organizations, as well as leaders from all four warring Cambodian factions, are attending the one-day ministerial-level conference.

The conference, hosted by Japan and the U.N. Development Program (UNDP), was convened in a bid to give impetus to the stalled peace process in Cambodia and to pledge funds and coordinate international efforts in rebuilding the war-ravaged country.

Miyazawa outlined what he termed "three pillars" for the Cambodian peace process: the preparation for and the holding of free and fair elections; the implementation of the cease-fire process which includes a demobilization of military forces, and the rehabilitation and reconstruction of Cambodia.

"It is important for this conference to reaffirm unflinching support for the activities of the U.N. Transitional Authority in Cambodia (UNTAC)," he said.

"It is important for us to pledge our positive commitments to the rehabilitation of Cambodia. It is also important for us to coordinate assistance for the reconstruction of Cambodia."

Cambodian leader Prince Norodom Sihanouk, UNTAC head Yasushi Akashi and UNDP administrator William Draper also made speeches at the opening session.

Declaration on Peace Process Adopted

*OW2206141692 Beijing XINHUA in English
1307 GMT 22 Jun 92*

[Text] Tokyo, June 22 (XINHUA)—The ministerial conference on Cambodia today adopted the Tokyo Declaration on Cambodia Peace Process, calling for expeditious implementation of the Paris Agreement reached on 23 October last year.

The declaration said that substantial progress has been made in the last few months despite difficulties.

Delegates from 33 countries and 12 international organizations attended the three-day Conference on Rehabilitation and Reconstruction of Cambodia.

The declaration urges all Cambodian parties concerned to refrain from hostilities and to resolve any disputes through peaceful means.

It stresses the importance of holding free and fair elections slated for next spring and the importance of repatriation and resettlement of refugees.

It calls on all parties to allow the United Nations Transitional Authority in Cambodia to exercise, in consultation with the Supreme National Council of Cambodia, all mandated powers under the Paris Agreement.

Calling for full and timely implementation of the second phase of the ceasefire, the 9-point declaration emphasizes the need for the UN secretary-general to accelerate the deployment of peacekeeping forces and civil administrative personnel in Cambodia.

The Ministerial Conference on Rehabilitation and Reconstruction of Cambodia closed here today. It was

co-chaired by the Government of Japan and the United Nations Development Program.

Declaration on Reconstruction Adopted

*OW2206141892 Beijing XINHUA in English
1317 GMT 22 Jun 92*

[Text] Tokyo, June 22 (XINHUA)—The international conference on Cambodia passed a declaration on rehabilitation and reconstruction of Cambodia, appealing for continued external aid to the war-torn country.

The declaration says "external assistance both technical and financial is indispensable" in the work to reconstruct Cambodia.

Representatives from 33 nations and 12 international organizations attended the 2-day meeting which is hosted by Japan and co-chaired by the host and the United Nations Development Program.

At the Ministerial Conference on Rehabilitation and Reconstruction of Cambodia, participants noted in the declaration that external assistance "should be made available impartially with full regard for Cambodia's sovereignty, and benefit all regions of Cambodia and reach all levels of society and the most needy sectors of the population".

The declaration calls on contributors to take into consideration the priorities identified in the previous documents by the Paris conference and the United Nations Development Program in association with other international organizations.

It notes that the pledged amount in aid to Cambodia is a clear manifestation of the willingness of the world community to assist in the reconstruction of Cambodia. It expresses the hope that additional contribution through bilateral or multilateral channels and other forms of assistance will meet the target by 1993.

The declaration states "during the transitional period, the authority representing Cambodia regarding international assistance is the Supreme National Council of Cambodia (SNC) in accordance with the terms of the Paris Agreements."

The 8-point document calls for the establishment of a consultative body—"The International Committee on Reconstruction of Cambodia" to coordinate the medium and long-term assistance for the reconstruction of Cambodia.

ESCAP Preparing To Convene Tehran Meeting

*OW2206130892 Beijing XINHUA in English
1151 GMT 22 Jun 92*

[Text] Tehran, June 22 (XINHUA)—Ministers from member countries of the Economic and Social Commission for Asia and Pacific (ESCAP) of the United Nations

is to meet here Tuesday to discuss strategies for promoting industrial and technological development in the region.

According to an official announcement here today, so far, 28 of the 56 ESCAP members, including China, Australia, Azerbaijan, Japan, Pakistan, Malaysia and Russia, have said they will send ministers and senior officials to the six-day meeting.

The announcement said that the meeting will also discuss other related issues including ways of improving the region's industrial and technological competitiveness, human resources, interregional investment and industrial financing.

Special attention will be given to the problems of the region's least developed and Pacific island countries. Because of lack of resources, geographical handicaps and high population growth rates, these economies remain industrially and technologically backward, the announcement said.

'Roundup' Views New U.S.-Russian 'Partnership'

OWI906122192 Beijing XINHUA Domestic Service
in Chinese 0911 GMT 18 Jun 92

[("Roundup" by reporter Ying Qian (2019 6197): "The Meeting Between the U.S. and Russian Heads of State; 'Partnership Relations'"]

[Text] Washington, 17 June (XINHUA)—After a two-day heads of state meeting in Washington, U.S. President Bush and visiting Russian President Yeltsin signed a series of statements and agreements on "total cooperation" between the two countries in various fields at the White House on the afternoon of 17 June.

This meeting was different from many past meetings between U.S. presidents and leaders of the former Soviet Union. In welcoming Yeltsin's visit, Bush said clearly: Past meetings were between two powers vying for global superiority. However, this meeting is between "two partners." Yeltsin also said: The United States and Russia are no longer rivals but mean to establish a relationship of "total cooperation."

The principal topics of the meeting were nuclear disarmament and U.S. aid to Russia.

Prior to this, the United States and the former Soviet Union had signed a treaty cutting strategic nuclear weapons. But the treaty has not been approved by the U.S. Congress and has yet to take effect. Following the disintegration of the Soviet Union, confrontation between the two powers no longer exists. In view of respective political and economic reasons, the United States and Russia have no choice but to earnestly consider slashing further the alarming numbers of their nuclear arsenals. It was exactly under these circumstances and after five months of negotiations that Bush

and Yeltsin finally reached a new nuclear disarmament agreement on the first day of their meeting.

According to the new agreement, the United States and Russia will slash the number of warheads on their respective strategic nuclear weapons to below 3,500 by the year 2003, a cut of about two-thirds. Of course, they will still possess large stocks of nuclear weapons once the reduction plan is fulfilled. Yeltsin called the disarmament agreement "unprecedented" and "historical." He said that it symbolized a "fundamental change" in political and economic relations between the United States and Russia.

The media here feels that the agreement to further cut strategic nuclear weapons was indeed an important achievement of this U.S.-Russian heads of state meeting. However, the main purpose of Yeltsin's visit was to seek U.S. economic aid for Russia. It can even be said that Russia did not hesitate to make concessions in order to reach the new nuclear disarmament agreement. It was also the leaders' intention to create a conciliatory atmosphere for the meeting, thus prompting the U.S. Congress to smoothly pass the motion on aid for Russia proposed by the Bush administration.

Yeltsin addressed a joint session of the U.S. Congress on the morning of 17 June. He assured U.S. congressmen that he "would not go back on reforms" and called on them to speed up approval of the \$24 billion aid package the West pledged to Russia and other CIS nations. He said: The success or failure of Russia's reforms does not concern only Russia's future; aiding reforms also suits U.S. interests. He announced that Russia had already downgraded the combat readiness of the SS-18 intercontinental ballistic missile aimed at the United States.

Apart from persuading the U.S. Congress directly, Yeltsin also attended a gathering of U.S. and Russian business executives in the company of Bush on 17 June. Speaking at the gathering, he called on U.S. entrepreneurs not to miss the opportunity but to hurry to invest in Russia.

Meanwhile, President Bush repeatedly urged Congress to approve the aid plan for Russia. He said: Although the United States is in a "politically difficult period," it should still assist Russia. He repeatedly stressed that aiding Russia "suits U.S. interests."

In the past two months, the U.S. Congress has been stalling its action on a motion on aiding Russia. Apart from the sensitive political factor of the election year, the United States has just lifted its economy out of a prolonged recession. The recovery is still slow-moving, and numerous economic difficulties and social problems that have accumulated over a long period demand urgent solutions. It is still unknown whether Congress will respond positively to the calls by Yeltsin and Bush.

One of the many documents signed by the two Presidents at the close of their meeting is the "Charter of U.S.-Russian Partnership and Friendship," also called the

"Washington Charter." The charter clearly states that the "solid and lasting foundation" of the U.S.-Russian relationship is not to treat the other party as an enemy but to develop mutual trust and respect. The two sides will cooperate in various fields such as economics, science and technology, trade, and military affairs. There is also the potential for establishing a "strategic relationship." President Bush billed the achievement of the meeting as "the establishment of truly new...partnership."

The change from hostility to a partnership between the United States and Russia is a major event in today's world. How will relations develop in the future? How will this affect relations between the two nations and the world's situation? This question is attracting attention.

United States & Canada

BEIJING REVIEW on U.S. Asian Policy

OW2006141192 Beijing BEIJING REVIEW
in English No. 24, 15-21 Jun 92 pp 11-13

[Article by Lu Chen: "U.S. Visualizes a Pacific Community"]

[Text] The Bush Administration recently took a series of actions on its Asian policies. Secretary of State James Baker, in a lengthy article entitled "America in Asia: Emerging Architecture for a Pacific Community" published in the last winter's issue of Foreign Affairs, initiated Washington's plan to build a Pacific community in post-cold war Asia.

In his one-week-long tour of Asia from November 10 to 17 of last year, Baker visited three Asian countries, elaborating Washington's search for coordination with Tokyo in structuring the community.

On November 12 last year, U.S. President George Bush gave a lecture in the Asia Society in New York, where he stressed that Washington would work for even closer ties with the Asia-Pacific region. From late last year to early this year, Bush paid a visit to several Asian nations. All of these actions clearly conveyed a message that Washington intends to vigorously build a new Asia-Pacific order, and maintain its political, economic and military leadership in the region.

Washington's Ideas

Washington plans to set up a Pacific community, based on various bilateral relations, with the U.S. at the core and the U.S.-Japan alliance as the central axis. The Bush Administration believes that the Asia-Pacific region is important to the U.S., and that the U.S. and Asia are increasingly bound by their common interest. Bush emphasized at the Asia Society that Asia is the region that is developing most rapidly in the world and has become the biggest and the most promising trade partner of the U.S. At present, the annual volume of U.S.-Asian

trade has surpassed U.S. \$300 billion. American companies invested U.S. \$61 billion in the Asia-Pacific region, and Asia invested U.S. \$95 billion in the U.S. Washington cannot neglect Asia, with which it is so closely linked economically, especially if Washington wishes to successfully settle its domestic economic problems.

According to presentations made by Baker, the community that Washington wishes to build in the Asia-Pacific region is "a fan spread wide, with its base in North America and radiating west across the Pacific." The U.S.-Japan alliance is the central axis of the structure. Bilateral relations between the U.S. and South Korea, the Association of Southeast Asian Nations (ASEAN) and Australia will serve as the foundation of the community, and the Asia-Pacific Economic Cooperation will form the fabric of the fan, and will bind all of these member countries together. The community will gradually extend towards China and Russia, and eventually bring the two nations into the structure.

Washington believes that a community structure of this type is suited to the geographical expanse and political and cultural diversity of the Asia-Pacific region, and will answer diverse qualms about security in the region.

By establishing this community structure in the Asia-Pacific region, Washington aims to promote regional stability and economic progress through its security, political and economic connections with the region. Meanwhile, Washington intends to lead this economic development both to tie up the community and to perpetuate America's leadership in post-cold war Asia.

Washington also plans to set up a flexible and powerful security system to reflect the structure of the post-cold war era. The demise of the Soviet menace and the end of the cold war have already transformed Washington's Asian allies into important political and economic players in the emerging international system, even robust economic competitors.

Facing new challenges, Washington must readjust its force structure and build a powerful and flexible security system, both to deal with a variety of security problems in Asia and to reduce suspicions and fears. In this security system, Washington is to play two roles:

1. It will maintain its presence in the Asia-Pacific region, protect the interests of the U.S. and its allies, and carry on America's role as the core of regional leadership;
2. More emphasis is to be given to a "multilateral approach to security." Washington wants to play a geopolitical balancing role to reflect the changing environment and the enhanced strength of Washington's allies.

The Bush Administration further plans to strengthen its role in the Asia-Pacific economy through the ministerial conference of the Asia-Pacific Economic Cooperation, which will be the nucleus of the economic integration framework designed by Washington.

U.S. national security, no longer security in the narrow sense of the term, has extended to comprehensive safeguards of political, economic, and military security. Therefore, while the necessity of U.S. military presence in the Asia-Pacific region is reducing, it becomes increasingly essential and urgent for Washington to strengthen its economic weak points in the region. The U.S. role in the Asia-Pacific region is based not only on its diplomatic and military presence, but also on American economic involvement, which is growing in significance in Asia in the face of the new global situation.

Furthermore, the trends towards economic regionalization and the formation of economic blocs have caused worries in Washington. The U.S. is particularly apprehensive about its exclusion from the proposed "East Asian Economic Grouping" by Malaysian Prime Minister Mahathir Mohamed. Washington fears that the bloc would develop into another global economic system powerful enough to create a tripartite balance of world economic forces, with the North American Free Trade Zone and the integrated European market as its rivals. This world structure would prejudice the U.S.

Washington intends to promote the Asia-Pacific Economic Cooperation Conference to form the mainstay of the future development of economy and trade in the Asia-Pacific region, and to guard against the formation of economic blocs that will exclude the U.S. Washington will also try, through the conference, to deepen its participation in the thriving Asia-Pacific economy, and to play a leading role in the economic integration of this region.

Washington also wants to form a new global partnership with Tokyo. In recent years, new changes have taken place in U.S.-Japan ties as a result of Japan's growing economic strength. Although U.S.-Japan interdependence continues to progress, sharpening contradictions and frictions make the relationship more and more strained. The U.S.-Japan alliance is based on a common perceived threat from the Soviets. The disappearance of this threat has caused the alliance to weaken day by day, and may face the danger of its disintegration.

Consequently, Washington stresses, on one hand, that the U.S.-Japan relationship cannot be more important in light of its effect on regional security, global economic development and the post-cold war world structure. On the other hand, Washington expresses its hope for Japan to take the lead in promoting and developing the new global system, and to play a bigger role by accepting more international commitments in economic and other fields. Tokyo, under the limits imposed by Washington, can play a bigger role in the Asia-Pacific region; the U.S.-dominated new Asian order, in turn, can be built up through the coordination between the U.S. and Japan.

The U.S. also plans to maintain contacts with China. The Sino-U.S. strategic relationship, that of joint resistance against the USSR, became far less important following the decline of the threat of the former Soviet

Union. In addition, U.S.-China relations experienced a downturn due to new contradictions that emerged between Washington and Beijing in the areas of human rights, trade, protection of intellectual property rights, and nuclear technology sales. Nonetheless, the Bush Administration recognizes the importance of China, which will continue in the post-cold war structure. As a permanent member of the UN Security Council, China will continue to wield its long-term influence over Asia and surrounding regions. Moreover, China is extending its range of influence on global and regional issues affecting U.S. interests. These issues include missile sales, proliferation of nuclear weapons, and cooperation in the settlement of regional conflicts. The necessity to maintain engagement with Beijing on matters of mutual concern became especially apparent during the Gulf crisis. Washington cannot disregard Beijing's position and influence. To sustain engagement with Beijing is one of Washington's top priorities.

Background

In the recent past, the termination of the cold war and the disintegration of the old world structure have brought drastic changes to international political, economic and military alliances. These changes inevitably influence the Asia-Pacific region. The changes in the region, although not as drastic as those in Europe, require the U.S. to reexamine and readjust its Asian policies.

1. The weakened Soviet threat requires Washington to readjust its strategies centered on security. For quite a long time, security remained the top priority in Washington's policies on Asia. The greatest effect of the cessation of the cold war is that the menace presented by Moscow has greatly declined; that threat had long been one of the key factors influencing the Asia-Pacific strategic structure. Since U.S.-Soviet rivalry is no longer the dominant factor in this region, Washington's strategic interests in Asia have switched from tackling the direct threat from Moscow to maintaining a balance of power, preventing the appearance of new problems, especially those presented by the "power vacuum" that emerged following the decline of Soviet power. Consequently, the importance of military might is receding and is being replaced by the means of diplomacy, economic strength, and global and regional re-grouping. Washington is now confronted with the challenge of this readjustment.

2. The relative decrease in U.S. economic strength and the economic boom of many Asian countries have together created sharper frictions between the U.S. and Asia, especially Japan. Furthermore, economic growth in Asia has been accompanied by a nationalist sentiment in each country in the region. Through these changes in national psychology, Washington is facing another challenge of exclusion. To maintain its presence and leading position in the Asia-Pacific region, Washington must involve itself more deeply in the prospering Asia-Pacific economy and play a more important role.

3. In spite of a relaxation of international tensions, there are still some destabilizing factors affecting Washington's policies on Asia. Some historical conflicts centering on territory, nationality and religion, which had been suppressed by the Washington-Moscow cold war, have once again surfaced. Potential regional instability has caused Washington to divert its attention from the former Soviet Union to Asia.

4. Washington's allies in Asia have criticized the U.S. for its ignorance of and irresponsible policies towards Asia. Since mid-1989, Washington has focused more attention on the changing world structure, including the evolving situations in the Soviet Union and Eastern Europe, the unification of Germany, the Gulf war and the post-war construction of the Middle East. These diversions have caused Washington's allies in Asia to fear that the Asia-Pacific region had been forgotten. These Asian allies are apprehensive that a pull-out by the U.S. would create a "power vacuum," and thus entice other countries to fill it. These allies particularly fear that Japan will play this role, with its powerful economy and considerable military strength. Washington, therefore, is eager to adjust its Asian policies in an effort to demonstrate that the U.S. still intends to play an active role in post-cold war Asia.

On the other hand, a new sense of isolationism is gaining ground in the U.S. Proponents of American isolationism believe that the U.S. has assumed too many commitments, both in Asia and the rest of the world, and demand that the U.S. recall its military forces as soon as possible. In this light, the advancement of the "Pacific community" concept by the Bush Administration is also a counter-attack against isolationist sentiments.

But in the present volatile world situation and the quickened course of multipolarization accompanied by a decline in Washington's ability to chart the future, the U.S. is still beset with difficulties in continuing its leading role in the Asia-Pacific region and in pressing forward with a U.S.-led new world order.

Bush Discusses Upcoming Campaign Tactics

*OW1906131892 Beijing XINHUA in English
1237 GMT 19 Jun 92*

[Text] Washington, June 18 (XINHUA)—U.S. President George Bush said today he would not take on his political opponents, Bill Clinton and Ross Perot, before the middle of August.

Fielding questions at an "Ask George Bush" session in Newark, California, Bush said, "I'm not going to be their spear-catcher for the rest of this year."

At the end of 30 minutes of sitting on a stool to answer questions, the President said, "You haven't heard one negative comment against either of the two people that want my job."

He said, "You're not going to hear one until maybe the middle of August." At that time he will get the presidential nomination at the Republican National Convention in Texas.

The President said he was confident that he would win the general election despite his trailing after Perot in recent polls.

"I might remind some that four years ago to this very day I was 18 points behind the opponent. I got it on focus by November, and I'll be trying hard to do that."

Clinton, the Democratic presidential candidate, and Perot, the undeclared independent candidate, will contend with Bush for the White House.

Bush said he wanted to be President for four more years because he wanted to finish what he had started on education, to get the health-care program through and to pass an anti-crime package.

Bush also tried to convince American voters that the national economy was recovering.

He said the gross domestic product grew at two-point-some percent in the first quarter of this year and it would be a little bit stronger in the second quarter.

"We have a growth program up there that would spur investment in small business," the President said.

Included in the program was a 5,000 U.S. dollar credit for the first-time homebuyer and a reduction in capital-gains tax that, he said, would stimulate investment in the economy.

Bush made the campaign trip to California immediately after his summit meetings with the visiting Russian president, Boris Yeltsin, in Washington. The three-day trip will also take him to Texas.

Bush said the arms-control agreement worked out at the summit meeting was "literally historic." He added, "that move is destined to make life better for our kids."

"When we get this economy growing and things moving," he said, "then maybe you lean a little more towards the protection."

The President has drawn criticism internationally and domestically for his refusal to sign the biodiversity treaty at the Earth Summit in Rio de Janeiro last week.

Bush Comments on Reported Perot Investigation

*OW2306035792 Beijing XINHUA in English
0340 GMT 23 Jun 92*

[Text] Washington, June 22 (XINHUA)—U.S. President George Bush said today it was "not very pleasant" that he was reportedly investigated by undeclared independent presidential candidate Ross Perot.

Answering questions at a picture-taking session before meeting with House Republicans, Bush said he did not think the investigations were "particularly American" if the report was true.

It was Bush's first response to the report by THE WASHINGTON POST on Sunday that Perot had launched investigations into Bush's financial and official activities as well as into his sons' business over the past five years.

"I feel a little tense about it if the reports are true of investigating my children, my family," Bush said.

In a taped interview with ABC-TV's "20-20" program to be aired Friday, Bush said, if Perot "was having my children investigated, that is beyond the pale."

Bush was quoted by UPI as saying in the interview, "Leave my kids alone, I say, they are good honest boys and a daughter."

The President said he did not know if the report was true, but if it was, he was sick about it.

"I think the people will reject that kind of tactic to go around investigating the family of the President of the United States, the Vice President or any other American," he said.

Bush's comment came hours after his press secretary Marlin Fitzwater refused to make more comments on the report at the White House press briefing.

Fitzwater said the President had often said that he was not going to get involved in the direct kinds of confrontation with Perot or Democratic candidate Bill Clinton until he got into the campaign season after the Republican National Convention in August.

LIAOWANG Views 'Perot Phenomenon'

HK2106081492 Hong Kong LIAOWANG
OVERSEAS EDITION in Chinese No 24, 15 Jun 92
p 27

[Special Dispatch by He Dalong (0149 1129 7127):
"What Does the 'Perot Phenomenon' Show?"]

[Text] Washington—The primaries in the United States ended on 2 June. President Bush and Arkansas Governor Clinton defeated their opponents within the parties and became the presidential candidates of the Republican and Democratic Parties, respectively. However, as THE NEW YORK TIMES says, they are both under the "long shadow" of U.S. billionaire Ross Perot, a nonpartisan person.

Perot has yet to participate formally in the presidential campaign, and his name has not been put on the list of presidential candidates. According to a 2 June poll of voters who voted in the primaries of California, Ohio, New Jersey, Alabama, New Mexico and Montana, 28 to 46 percent voters stated that they would support him.

THE WASHINGTON POST and ABC conducted opinion polls between 27 and 31 May in the four main U.S. regions: The Northeast, the West, the Heartland and the South, and they showed that Perot had the support of 34 percent of voters. Perot's campaign is gaining momentum and he himself has stated that this summer he would continue to fight the party conventions of the Republican and Democratic Parties to secure a sufficient number of voters' signatures to get himself qualified to officially enter the contest for the presidential throne this November. In a LOS ANGELES TIMES report, California voters, a barometer of U.S. politics, were hard hit by six straight years of droughts, two earthquakes, serious economic recessions and Los Angeles riots and are "angry, disappointed and pessimistic" about the present state of affairs; and Perot "has answered people's wish and distinguished himself." THE WASHINGTON POST called this a "very significant Perot phenomenon."

There have been nonpartisan candidates running for president in U.S. history, but not many of them created such a strong momentum throughout the country as Perot has done. Now even some Congressional leaders, former presidents and the press are discussing the problem of resorting to such a constitutional procedure: Should there appear a "tripod" tug-of-war between Bush, Clinton, and Perot in the November general elections, with none securing more than half of the votes, the newly elected representatives would elect one of the three to be President and the senators would elect the vice president.

For Perot, a nonpartisan person, to have exerted such a huge influence on U.S. general elections and such a pull on voters is rare in U.S. history. What does this "Perot phenomenon" tell us exactly?

First, it reflects voters' discontent with the U.S. status quo. Now U.S. voters generally feel that living standards have lowered. As the 1990 Census statistics recently released by U.S. Population Statistics Bureau show, in 1979 the American middle class accounted for 71 percent of the national population. By 1989 the figure had fallen to 61 percent, while people living below the poverty line had increased. In 1979, 27.4 million people in the United States lived below the poverty line. The number increased to 31 million by 1989. Now there are increasingly serious economic and social problems such as economic recession, increased unemployment, AIDS, drug abuse and increasing crimes and acute racial tensions. The U.S. Government is unable to resolve these. The Federal Government's fiscal deficits have continued to swell over the years. The 1992 fiscal year deficit is estimated to reach \$400 billion; and state government [as published] fiscal deficit has topped \$100 billion. The voters are generally dissatisfied with the current state of affairs.

At this time Perot comes out and cries: I can change the status quo! He declared that if he becomes president he will not increase taxes, will reform the present taxation

system, cut fiscal deficits, pursue balanced financial policies, help poor people and befriend the poor, and so on. His call was answered in hundreds and many echoed his call. Many voters telephoned him every day telling him they will help him find enough voters' signatures to get him into the November formal contest.

Second, the phenomenon reflects voters' disappointment in the U.S. Government. After the curtain of general elections was lifted, THE WASHINGTON POST ran on the front page a large-scale opinion poll showing that Americans' trust in their government had decreased sharply from the Eisenhower Administration in the 1950's to the current administration in the 1990's. In the 1950's, 75 percent of Americans believed that the government's way of handling things was correct. In the 1990's only 36 percent believe this to be so, while 70 percent believe that their government is not working for the people and is controlled by the interest groups. In the 1950's, 40 percent of Americans believed the government was wasting taxpayers' money; in 1990's 75 percent believe so. THE WASHINGTON POST says: "Today most Americans have no confidence in their government's and leaders' ability to solve key national issues."

At this time Perot comes out and cries: I can lead the United States. The government he describes will work for the people, stop waste, and so on, and is very attractive. Some experts on domestic and international problems from the Democratic and Republican Parties volunteer to form think tanks for Perot, draw up election platforms, and suggest solutions for the United States' chronic maladies.

Third, it shows that voters are disgusted with bipartisan politics. With numerous economic and social contradictions, some people have already called on the Republican and Democratic Parties to dump "bipartisan politics." The Republican and Democratic Parties, and liberals and conservatives alike should give first priority to national interests, and join forces in formulating plans to solve the United States' domestic issues and to meet the grim challenges posed by the 21st century. However, the color of "bipartisan politics" is getting increasingly thicker in an election year. Neither party has any solutions for the difficult issues, but both are very good at launching attacks on the other side, constantly exposing each other's faults while defending its own misconducts. The recent expose of a key cabinet member chartering special Air Force planes at public expense for private business and overdrafts of many congressmen at the House Bank have created uproars in the U.S. political arena. On average, 95 percent of U.S. congressmen have historically campaigned for reelection. This year close to 60 congressmen have declared that they will not seek reelection. When even a person in such a noted position as chairman of the House Foreign Affairs Committee declares forgoing reelection, we know that the congressmen have lost the trust of voters.

At this time, Perot raises the flag of "clean government" and declares that if he is elected, those skimming off the public funds and using government planes for private business will never be admitted into the government. This is very attractive. Some noted Democrats and Republicans are now lining up under Perot's flag. Jordan and Rollins, persons in charge of the Democratic and Republican campaign groups who successfully organized Presidents Carter's and Reagan's campaigns, are now chairmen of Perot's campaign group.

In fact, the slogans raised by Perot are not any new ideas but merely empty political slogans; there are no specific political platforms. But Perot has won voters' support. This must be put down as indicating Americans' "wish for a change." Former U.S. President Ford said on 1 June that recently he had toured many places in the United States and discovered that the United States was in "extreme political confusion. Everywhere across the country there was disappointment at politics. Some voters felt very angry. The result of such a state is that all men in power are in trouble and have problems defending themselves."

Earlier, some people in the United States were indeed excited for some time at the changeover of political power in Eastern Europe and the disintegration of the Soviet Union. But good things never last long and very quickly it was their turn. Half a century of the cold war has pitched most of the U.S. national strength at the Soviet Union and led it to ignore its intractable domestic economic and social problems. Now, with the end of the cold war, problems long covered by the smoke of the cold war suddenly reveal themselves. U.S. voters are taking the opportunity of the general elections to vent their discontent with the status quo, their disappointment and disgust at the government and bipartisan politics by showing unusual enthusiasm to an independent candidate. This highlights the serious political, economic and social problems and deep "credibility crisis" now existing in U.S. society.

Jackson Accuses Clinton of Embarrassing Him

OW1906215492 Beijing XINHUA in English
1952 GMT 19 Jun 92

[Text] Washington, June 19 (XINHUA)—U.S. black civil rights leader Jesse Jackson has said the unclaimed Democratic presidential nominee Bill Clinton "again exposed a character flaw" in his remarks on racism.

Jackson said in an interview with THE NEW YORK TIMES yesterday that Clinton staged last week a "very well-planned sneak attack" with a calculation to embarrass him. The TIMES carried a report on the interview in today's edition.

In a speech to Jackson's Rainbow Coalition conference in Washington last weekend, Clinton criticized Jackson for inviting rap singer Sister Souljah to participate in the meeting despite the controversy about her comments on

the Los Angeles riots. Clinton said Souljah's words were filled with "a kind of hatred."

Souljah, a political rapper and a popular entertainer, said in a THE WASHINGTON POST interview last month after the riots that "if black people kill black people every day, why not have a week and kill white people?"

Jackson said Clinton's Machiavellian maneuver was designed "purely to appeal to conservative white by containing Jackson and isolating Jackson."

He said Clinton's campaign officials thought they have won some kind of victory by attacking him. "But you don't win by splitting your base, and this won't help them to win," he added.

Clinton carried black votes to win the Democratic presidential nomination in primaries. He can not win the general election without a big and solid black support.

Jackson's angriest reaction came after Clinton refused to back off on the issue. Clinton said on Tuesday in California, "It's simply wrong to suggest that there are no good white people or that under any circumstances, one people in one way should kill each other just because they are a different race. That's just not right."

In the TIMES interview, Jackson also spoke at some length about the undeclared independent candidate Ross Perot. The newspaper said that Jackson, the de facto Democratic left wing leader, may stage a dalliance with Perot as a means of bringing pressure on Clinton for concessions on the party's platform and on other issues.

Clinton kicked off the controversy because his campaign officials wanted to break the Democratic candidate's image among voters as a loyal supporter of the orthodoxy and they believed that a confrontation with Jackson was the best mechanism to achieve that goal, according to THE WASHINGTON POST.

Jackson, the two time Democratic presidential candidacy contender in 1984 and 1988, urged Clinton to choose him as the vice presidential nominee in April when Clinton locked up more than half of delegates to win the Democratic presidential nomination. But Clinton refused to make a comment on Jackson's demand.

Clinton refused to invite Jackson to the convention of the Democratic Leadership Council last year when he was its chairman. He denounced Jackson four months ago when he heard what turned out to be a false report that Jackson had endorsed Senator Tom Harkin, one of Clinton's rivals in the primaries.

Central Eurasia

Russia Denies Attacking Georgian National Guards

OW2006084392 Beijing XINHUA in English
0816 GMT 20 Jun 92

[Text] Moscow, June 20 (XINHUA)—Russia today denied that Russian Army had attacked Georgian National Guards Thursday.

Russian Defence Ministry said today that tanks of the Georgian National Guards attacked Russian Army stationed in Tskhinvali of South Ossetia at 4 p.m. on Thursday and two Russian armed helicopters fired two "warning shots" in return, ITAR-TASS reported.

Eduard Shevardnadze, chairman of Georgian State Council, Friday accused Russian Air Force of firing several rockets at positions of Georgian armed forces Thursday afternoon and launching an attack upon the Georgian Army later.

Moldova, Russia To Order Dniester Cease-Fire

OW2306033292 Beijing XINHUA in English
0318 GMT 23 Jun 92

[Text] Bucharest, June 22 (XINHUA)—Moldovan President Mircea Snegur and his Russian counterpart Boris Yeltsin have agreed to issue a decree calling for an immediate ceasefire in the Dniester region.

They also said the presidents of Russia, Moldova, Ukraine and Romania would meet for talks in a few days time in Istanbul, Turkey to discuss a peaceful solution to the conflict.

Their joint statement was released today by the Romanian Presidential Office which said agreement had been reached among the presidents of Moldova, Russia and Romania by telephone.

Local media reports said Romania had decided at a Monday meeting presided over by President Ion Iliescu to take necessary measures to stop the fierce fighting in Dniester.

The meeting expressed concern at remarks made by Yeltsin on possible Russian military intervention in the region.

Qiao Shi Receives Russian Justice Minister

OW2006142992 Beijing XINHUA in English
1357 GMT 20 Jun 92

[Text] Beijing, June 20 (XINHUA)—China should draw up its laws and regulations in the light of its actual conditions and at the same time should extensively study and draw on the experiences of all other countries, a top Chinese Communist Party leader said here today.

China should absorb useful experience which accords with China's actual conditions, said Qiao Shi, a member

of the Standing Committee of the Political Bureau of the Chinese Communist Party Central Committee.

Qiao made the remarks during a meeting with Nikolay V. Fedorov, visiting Russian minister of justice, and his party at the Great Hall of the People here today.

A Chinese official who attended the meeting quoted Qiao as saying that all Chinese laws and regulations should contribute to the nation's general goal of updating its economy and to the promotion of its stability and unity.

Social stability is based on economic progress and improvement of the people's standard of living, said Qiao. "Maintaining social stability is by no means equated with stagnation, but sustained economic development," he added.

China's legislation should be in line with the needs of its reform and opening to the outside world, Qiao was quoted as saying. "Some laws which were drawn up during the 1950s and 1960s are now out of date. Some should be updated, while others should be replaced."

He added, "So far, we have done a good job in legislation. But we still have much work to do in this regard for the sake of acceleration of the pace of reform and opening and economic progress."

He expressed the hope that the judicial departments in both China and Russia would frequently conduct exchanges of information and experiences.

China and Russia are close neighbors, Qiao said, adding that he hoped that bilateral relations would grow continuously on the basis of the five principles of peaceful coexistence.

Fedorov was quoted as saying that not long ago Russia laid more stress on political reform than on economic reform. "We are now carrying out rectification, and speeding up economic construction," he said.

"We will draw on China's experience and study the experience of other friendly countries so as to avoid mistakes," Fedorov was quoted as saying.

Fedorov said he saw that China has achieved down-to-earth success, adding that the Chinese people are confident about their future.

Heilongjiang Governor Meets With Russians

SK2206092692 Harbin Heilongjiang People's Radio Network in Mandarin 1000 GMT 21 Jun 92

[Text] Provincial Governor Shao Qihui and Vice Governor Chen Yunlin met with a delegation from the Maritime Kray of Russia led by its administrative official Kuznetsov this morning. Both sides held fruitful discussions on the economic and trade cooperation between the province and the kray and initialed a resolution on establishing friendly ties between Heilongjiang Province and Maritime Kray. Kutov, a

representative stationed in Maritime Kray sent by Yeltsin, president of the Russian Federation, was present at the meeting.

Provincial Governor Shao Qihui said humorously during the meeting: Neighbors are dearer than distant relatives. The better our neighbors are, the happier we will be. I heard that you have had a bumper fishery harvest this year; we will not have to worry about fish supplies then.

Kuznetsov said: Judging either from the current situation or from a long-term point of view, China will be our most important partner in economic relations and trade. The Russian Federation will build the large Vladivostok special zone in the near future, (which will involve) the entire Maritime Kray. We hope that you will participate in the development.

Provincial Governor Shao Qihui suggested that the Russian side [words indistinct] cargo delivery capacity. He said that the current cargo delivery capacity of the port of Suifenhe was 1 million tons a year, and it would be increased to 3 million tons after renovation. He also said: We have decided to expand the passageway from Mudanjiang to Suifenhe. We hope that you will offer (opinions).

Kuznetsov said: The Russian side have rather great difficulty in building highways. We hope that the Chinese side will provide assistance continuously.

Provincial Governor Shao immediately promised to provide technological and personnel assistance.

Both sides agreed to establish a special committee to coordinate in solving the problems in the economic relations and trade between the Chinese and the Russian sides.

In addition, both sides also held talks on opening the air route between Harbin and Vladivostok and on the security of the personnel sent abroad.

First Train Crosses Alatow Pass From Kazakhstan

*OW2206155892 Beijing XINHUA in English
1527 GMT 22 Jun 92*

[Text] Urumqi, June 22 (XINHUA)—The first international train crossed the Alatow Pass on the railway known as Eurasian Continental Bridge between China and Republic of Kazakhstan at 0:00 today.

Starting from Alma-Ata in Kazakhstan, the train is scheduled to end its journey in Urumqi, capital of northwest China's Xinjiang Uygur Autonomous Region.

The prime ministers of the republics of Kazakhstan, Uzbekistan, Kyrgyzstan and a group of distinguished guests are the first batch of passengers.

A welcome ceremony was held in the station by the Vice Chairman of the government of Xinjiang Uygur Autonomous Region Abulat and Vice Minister of Railways Shi Xiyu.

The railway across the Eurasian continent, known as Eurasian Continental Bridge, was finished in September 1990.

Wu Xueqian Confers With Kazakh Prime Minister
OW2206214692 Beijing XINHUA in English
1608 GMT 22 Jun 92

[Text] Urumqi, June 22 (XINHUA)—Chinese Vice-Premier Wu Xueqian conferred today with the Prime Minister of Kazakhstan, Mr S.A. Tereshchenko, who is here to attend the opening of rail traffic between China and Kazakhstan.

They cordially exchanged views on bilateral relations and issues of common concern.

Wu and Tereshchenko recalled the relations between the two countries after the visits to China by President Nazarbayev and Tereshchenko. They also expressed their satisfaction with the development of cooperation in various fields including politics, the economy, trade, science, technology, communications, transportation and culture.

They held the view that the railway's opening between Urumqi and Alma-Ata will further promote friendly and good-neighbor relations between the two countries, which is of great importance to bilateral economic and trade relations in particular.

They expressed their willingness that the two countries strengthen cooperation in rail transportation, highway transportation and airfreight.

Both decided that Foreign Ministries of the two countries will strength their contacts.

They also exchanged views on visits to Kazakhstan by Chinese leaders.

Northeast Asia

DPRK Party Secretary Meets Liaoning Delegation
OW2006220692 Beijing XINHUA Domestic Service
in Chinese 1318 GMT 18 Jun 92

[Exclusively for Liaoning newspapers by reporter Zhang Jinfang (1728 6930 5364)]

[Text] Pyongyang, 18 June (XINHUA)—Kim Yong-sun, secretary of the Central Committee of the Workers Party of Korea [WPK], met with a Chinese delegation from the Liaoning Provincial CPC Committee here today. The Chinese delegation was headed by Shang Wen, deputy secretary of the Liaoning provincial party committee.

Kim Yong-sun spoke highly of the achievements made by the Chinese people in socialist construction under the leadership of the CPC Central Committee with Comrade Jiang Zemin at its core, as well as the friendship between the Korean people and the Chinese people.

Kim Yong-sun said that China's Liaoning Province, a neighbor of Korea, plays an important role in developing Sino-Korean friendship. He said he hopes that the people living in the Korean and Chinese border areas will keep in constant contact with each other and contribute to the development of the friendly relations between the two sides.

Shang Wen said: As a province bordering Korea, Liaoning will strive to develop Sino-Korean friendship in accordance with the consistent policy of the CPC Central Committee.

After the meeting, Kim Yong-sun feted the delegation from the Liaoning Provincial CPC Committee.

The Chinese delegation arrived in Korea on 7 June on a visit at the invitation of the Pyongan-pukto Provincial WPK Committee.

Li Ruihuan Meets DPRK Cultural Delegation

OW2306074592 Beijing XINHUA in English
0719 GMT 23 Jun 92

[Text] Beijing, June 23 (XINHUA)—Communist Party leader Li Ruihuan today urged Chinese art and literary workers to keep pace with the current situation where the drive of economic construction and reforms and opening to the outside world is gaining momentum.

Li, a Standing Committee member of the Political Bureau of the Chinese Communist Party Central Committee, called on the artists and writers to unite and make China's art and literature more flourishing.

He made the call at a meeting with a government cultural delegation from the Democratic People's Republic of Korea, led by Chang Chol, vice-premier and minister of art and culture, here today.

Li said that Chinese art and literary circles, in implementing Deng Xiaoping's speech of early this year, should strive to unite and produce more and better works to serve the economic construction and meet the people's growing needs.

Speaking highly of the traditional friendship between the two parties and the two countries, Li expressed the hope that the two sides have more cultural exchanges in the future.

The visitors, who have toured China for two weeks, are scheduled to leave for home later today.

Chang Chol told Li at the 40-minute meeting that he was deeply impressed by what China has achieved in pushing the economy forward and in implementing the reform

and open policies. He hoped for continuous development of the ties of friendship and cooperation between the two parties and countries.

Ding Guangen Meets DPRK Reunification Group
OW2306074492 Beijing XINHUA in English
0603 GMT 23 Jun 92

[Text] Beijing, June 23 (XINHUA)—Ding Guangen, alternate member of the Political Bureau and member of the Secretariat of the Communist Party of China (CPC) Central Committee, met with a delegation from the Democratic Front for the Reunification of the Fatherland of the Democratic People's Republic of Korea (D.P.R.K.) headed by Yu Ho-chun, director of the Secretariat of the Central Committee of the Front, here this morning.

They had a cordial and friendly conversation.

The guests arrived here June 13 at the invitation of the National Committee of the Chinese People's Political Consultative Conference.

Miyazawa: Sino-Japanese Ties 'in Good Shape'
OW1906180292 Beijing XINHUA in English
1515 GMT 19 Jun 92

[Text] Tokyo, June 19 (XINHUA)—Japanese Prime Minister Kiichi Miyazawa said here today that relations between Japan and China were in good shape.

During a meeting at his official residence with visiting President of the China-Japan Friendship Association Sun Pinghua, Miyazawa said the further enhancement of the Sino-Japanese relationship was important to peace and prosperity in Asia and the world.

Miyazawa praised the results of earlier visits by Chinese Communist Party General Secretary Jiang Zemin and parliamentary leader Wan Li and said he was pleased about the current bilateral ties.

Miyazawa also spoke highly of Deng Xiaoping's reform and opening-up policies, commenting that China's economic development would be vital to the world in the 21st century.

He said Japan and China needed to think about ways to cooperate that would benefit Asia and the rest of the world.

Sun, who heads a Sino-Japanese Friendship Delegation, arrived in Japan on June 9 for a 13-day visit as part of celebrations marking the 20th anniversary of the normalization of bilateral diplomatic relations.

Sino-Japanese Investment Promotion Meeting Held
OW2206103892 Beijing XINHUA Domestic Service
in Chinese 0635 GMT 19 Jun 92

[By reporter Huang Fengzhen (7806 7685 3791)]

[Text] Tokyo, 18 June (XINHUA)—The second regular joint meeting of the China-Japan Investment Promotion Committee and the Japan-China investment promotion organization was held here today. In a friendly atmosphere, both sides consulted over ways to encourage Japanese businesses to invest in China and to further enhance economic and trade relations between the two countries.

Wu Yi, head of the Chinese side and vice minister of the Chinese Ministry of Foreign Economic Relations and Trade; and Kizaburo Ikeura, head of the Japanese side and adviser to the Industrial Bank of Japan, reviewed and summed up the achievements, experiences, and problems the two sides had made and encountered since the first joint meeting held last year. Both sides discussed ways to strengthen cooperation and promote investment in the future. At the meeting, Chinese delegates also filled in the Japanese side on the policies and measures China had implemented to advance its reform and opening to the outside world, and fielded questions from Japanese businessmen regarding China's policies concerning importing foreign capital. Japanese delegates pledged to work harder in the future to spur more Japanese investments in China and to help Japanese businesses solve problems encountered in the process.

The Chinese delegation, totaling 20 people, included Zhou Jiannan, adviser both to the Leading Group for Foreign Investment under the State Council and the China-Japan Investment Promotion Committee, and representatives from the Ministry of Foreign Economic Relations and Trade, the Special Economic Zones Office under the State Council, the State Planning Commission, the State Land Administration Bureau, the Ministry of Materials and Equipment, Shanghai, Dalian, and Hainan. The 60-member Japanese delegation consisted of representatives from the Ministry of International Trade and Industry, the Ministry of Foreign Affairs, and business circles.

Chinese State Council Premier Li Peng, Vice Premier Tian Jiyun, Japanese Prime Minister Kiichi Miyazawa, former Prime Minister Takeshita, and Minister of International Trade and Industry Kozo Watanabe sent congratulatory messages to the meeting.

The delegation from the China-Japan Investment Promotion Committee led by Wu Yi arrived in Japan on the afternoon of 17 June.

Defense Minister Ends Visit to Mongolia
OW1906153492 Beijing XINHUA in English
1405 GMT 19 Jun 92

[Text] Ulaanbaatar, June 19 (XINHUA)—Chinese Defense Minister Qin Jiwei, heading a Chinese military delegation, ended his six-day visit to Mongolia today and flew home.

At a meeting with Mongolian President Punsalmaagijn Ochirbat, General Qin, who is also a state councillor,

said it was a cardinal principle of Chinese foreign policy to develop good-neighboringliness and friendly cooperation with nations around China.

He said he believed that through joint efforts the Sino-Mongolian tie would be strengthened.

Mongolian Premier Dash Byambasuren told General Qin during their talks that general elections would soon be held, and that the new Mongolian Government would continue its friendly relations with China.

During his visit, General Qin met his Mongolian counterpart, General Shagaliyin Jadambaa, and other Mongolian high-ranking military officers.

Southeast Asia & Pacific

Vietnam Friendship Body Gets New Leadership

OW2206093092 Beijing XINHUA in English
0900 GMT 22 Jun 92

[Text] Beijing, June 22 (XINHUA)—The China-Vietnam Friendship Association has formed a new leadership, after being without any official leaders for about 20 years.

This was announced at a cocktail party co-hosted here this afternoon by the Chinese People's Association for Friendship With Foreign Countries and the China-Vietnam Friendship Association.

The association's new leaders are President Fu Hao, Vice-Presidents Lu Weizhao and Huang Shiming.

Fu, a former vice foreign minister, is a Standing Committee member of the National People's Congress (NPC) and vice chairman of the NPC Foreign Affairs Committee.

Speaking at the party, Fu expressed the willingness to strengthen cooperation with their Vietnamese counterpart, the Vietnam-China Friendship Association, as a way to cement the traditional friendship between the Chinese and Vietnamese people.

Dang Nghiem Hoang, Vietnamese ambassador to China, called the event "new development in bilateral relations" after the two countries normalized ties last November. He read out a message of congratulation from the Vietnam-China Friendship Association.

Chi Haotian Hosts Lao Military Delegation

OW2206130292 Beijing XINHUA in English
1213 GMT 22 Jun 92

[Text] Beijing, June 22 (XINHUA)—A Lao military delegation led by Ai Souligna-seng, deputy defense minister and chief of General Staff, was honored at a dinner given here tonight by Chi Haotian, chief of General Staff of the Chinese People's Liberation Army.

Ai. Souligna-seng, who arrived here yesterday on a two-week visit, reviewed an honor guard of the Chinese

People's Liberation Army at a welcoming ceremony hosted by Chi earlier today.

Later the two generals held talks, briefing each other on the current situation and army building in their respective countries and exchanging views on the situation in Southeast Asia and in the world as a whole.

The visitors are also scheduled to tour a number of cities in southern China.

Shanghai To Build Power Units for Manila

OW2106100692 Beijing XINHUA in English
0915 GMT 21 Jun 92

[Text] Beijing, June 21 (XINHUA)—Shanghai, China's leading manufacturing center, has won the bid to build two 300,000-kw power generating units for a Philippine power plant in Manila.

The first unit is expected to be operational in 1995 after 31 months of construction, and the second unit will be put into operation 30 months after the first unit goes on line.

The Shanghai side has already received the first installment of earnest money after signing a memorandum of agreement with the Philippine side a month ago.

A top official from the Shanghai United Electric Corporation said the agreement marks a breakthrough in the export of large power equipment produced in Shanghai.

Fidel Ramos Proclaimed Philippines' New President

OW2206141792 Beijing XINHUA in English
1324 GMT 22 Jun 92

[Text] Manila, June 22 (XINHUA)—Former Defense Secretary Fidel V. Ramos was proclaimed the eighth president of the Republic of Philippines tonight by the joint session of the Senate and the House of Representatives.

Joseph Estrada was proclaimed the vice president.

The proclamation was made after majority of the members of both chambers of congress approved the joint congressional committee report on the preliminary canvass and the resolution declaring the results of the presidential and vice-presidential elections.

Final results of the elections showed that Ramos won around 24 percent of the total votes cast.

Two of the 24 senators voted against the approval of the joint committee report and its resolution. Of the 129 congressmen attending the joint session, 21 abstained and two voted "no."

Indonesia's Suharto Hopes for Stronger Cooperation

*OW2206111392 Beijing XINHUA in English
1045 GMT 22 Jun 92*

[Text] Jakarta, June 22 (XINHUA)—Indonesian President Suharto has said he hopes that Indonesia and China will strengthen cooperation in textile industry, so as to jointly enter the international market.

The president expressed the hope when receiving visiting Chinese Minister of Textile Industry Wu Wenying at the presidential office this morning.

President Suharto said that he is satisfied with mutual visits of senior officials of the two countries, adding that the visits have promoted development of bilateral friendly relations.

He said that he plans to send more delegations, including members of the people's consultative congress, to China.

At the meeting, Minister Wu Wenying expressed appreciation for the rapid development of Indonesia's industry, textile industry in particular, under the leadership of President Suharto. The Chinese minister also praised Indonesia for high industrial product quality and better management in textile field.

Wu conveyed greetings of Chinese President Yang Shangkun and Premier Li Peng to President Suharto. The Indonesian president also asked Minister Wu Wenying to pass on his greetings to Chinese leaders.

Minister Wu Wenying started her goodwill visit to Indonesia on June 16 at the invitations from Minister of Industry Hartarto and minister of women's role Madame A. Sulasikin Murpratomo.

During her visit, Wu held separate talks with Minister Hartarto and Madame Murpratomo to inquire into new fields for further strengthening bilateral cooperation. She also met with other high-ranking government officials and visited factories, enterprises and local markets.

Minister Wu Wenying will leave Indonesia on June 23 to visit Belgium and Italy.

Fiji Leaders Pledge To Promote Friendship

*OW2206093292 Beijing XINHUA Domestic Service
in Chinese 0854 GMT 19 Jun 92*

[Text] Suva, 19 June (XINHUA)—Fiji's new Prime Minister Rabuka and Deputy Prime Minister and Foreign Minister Boile had separate meetings with Chinese Ambassador to Fiji Hua Junduo this morning. They pledged during the meetings that they cherished Fiji's friendly relations with China.

They said that the new government of Fiji will strive to further promote friendly relations and cooperation with China, and that Fiji will uphold its one China policy.

Rabuka added that he was very pleased with Premier Li Peng's recent short visit to Fiji, and he was looking forward to Li Peng's official visit to Fiji next year.

Thai Premier Anan's Policy Statement Reported

*OW2206035192 Beijing XINHUA in English
0738 GMT 22 Jun 92*

[Text] Bangkok, June 22 (XINHUA)—Newly reappointed Thai Prime Minister Anan Panyarachun delivered a policy statement to parliament today, promising his administration will work to gain the confidence of the people and international community.

In his eight-point statement, Anan said that his cabinet will take every action necessary to maintain stability and security of the country while adhering to principles of peace and justice in order to create understanding and unity within the nation.

The administration will promote and arouse public consciousness in the importance and the role of all individuals in constitutional democracy and ensure the upcoming general election is orderly, clean and fair to all, the prime minister said.

On the economic matters, Anan said his cabinet will continue to pursue the policy of free economy with a policy transparency and speed up the implementation of projects on infrastructure and public utilities already in progress.

In all other areas, the government will abide by the guidelines in the current national social and economic development plan, said the prime minister.

In conclusion, Anan expressed the hope that his administration will receive cooperation and support from all members of parliament.

Leaders of all political parties later began a debate on his statement with the focus on whether the administration fulfills it's promise to use parliamentary procedures to return the country to stability and credibility in the country.

Thai House Speaker Athit Urairat said this morning that the government, parliament and all political parties' leaders will meet this afternoon to discuss the issue of house dissolution.

Under the Constitution, a general election must be held within 90 day after a house dissolution.

New Zealand Political Corruption Poll Viewed

*OW2006081192 Beijing XINHUA in English
0746 GMT 20 Jun 92*

[News Analysis: "Political Corruption Poll Rattles NZ Political Parties"]

[Text] Wellington, June 20 (XINHUA)—New Zealand's two major political parties appeared to have been

stunned by the result of the latest poll indicating public belief there is corruption in the country's politics.

Both the ruling National Party and the opposition Labor have been challenged to put the restoration of the public faith in the country's political system high on agenda, local political observers have said.

The poll, conducted by the Auckland-based weekly newspaper, THE NATIONAL BUSINESS REVIEW (NBR), shows 81 percent of New Zealanders surveyed believe there is corruption in New Zealand politics. Only 12 percent say no and 7 percent are unsure.

It is one of the highest margins on any issues polled, an NBR report releasing the poll result Friday says.

The poll also shows that 91 percent is of the opinion that all donations to political parties by business people should be declared publicly, and 57 percent thought business donations to political parties and politicians should be banned.

The ruling National Party is said to be considering whether to declare the source of its business donations. "The party has to take this (poll) very seriously," and the latest information was what the government cannot ignore, National Party President John Collinge has said.

Without directly commenting on the poll results, opposition leader Mike Moore has called for public disclosure of all assets and debts of the members of the parliament and their spouses.

The poll was taken following an allegation earlier this month by former Maori Affairs Minister Winston Peters that political parties in the country had been subject to "undue influence from big business." The outspoken former minister who previously enjoyed high popularity as a preferred prime minister in random surveys was sacked by Prime Minister Jim Bolger last year.

Peters' allegation was backed up by former Prime Minister Robert Muldoon. He thought both major parties had given far more attention to views of major donors than they would have in the past as both the parties had found their usual sources of funds had dried up in recent years.

For long, the financing of the two major political parties in the country has been largely decided on the "ability of each party to pitch to the business community," an NBR editorial says. However, the business donors should be allowed anonymity under the policies of the parties.

Shenzhen, Australia's Brisbane Sign Agreement

OW2206152492 Beijing XINHUA in English
1505 GMT 22 Jun 92

[Text] Canberra, June 22 (XINHUA)—Shenzhen, the first special economic zone in China, and Australia's third largest city of Brisbane have become friendship cities under an agreement signed in Brisbane today.

Under the agreement, the two cities will launch exchanges and cooperation in the fields of economy, trade, science and technology, culture, education, sports, health and tourism on the basis of equality and mutual benefit.

Brisbane, capital of the state of Queensland, is situated in the east coast of the country and, with a population of about 1.3 million, boasts rich natural resources.

About 160 people, including Jim Soorley, mayor of Brisbane, and Zheng Liangyu, mayor of Shenzhen, attended the signing ceremony.

Soorley, describing Shenzhen as a "vigorous" city, said that the development pace of the city over the past 10 years is "surprising." He believed that there is a good foundation for cooperation of mutual benefit between Brisbane and Shenzhen.

Zheng said there is a high degree of mutual complementarity in economies between the two cities and the signing of friendship cities will open up prospects for furthering and deepening cooperation between the two sides.

As part of the move, a trade fair organized by Shenzhen was also opened in Brisbane today, with over 500 kinds of products being exhibited.

Near East & South Asia

Butanese Foreign Minister Meets Li Peng

OW2206153792 Beijing XINHUA in English
1513 GMT 22 Jun 92

[Text] Beijing, June 22 (XINHUA)—Chinese Premier Li Peng says that China is willing to develop its relationship with Bhutan.

He made the comments at a meeting here this evening with visiting Bhutanese Foreign Minister Dawa Tsering and his party, who attended the eighth round of border talks between China and Bhutan in Beijing.

Official sources quoted Premier Li as saying that the talks had been conducted very well. Both sides took a positive attitude.

He said Bhutan is a close neighbor of China, adding that China is willing to further develop its friendly relations and cooperation with Bhutan.

Li described China's foreign policy as following two important points. First it is China's desire to get on with all countries and her neighbors in particular. Secondly countries big or small, strong or weak, poor or rich are all equal members of the international community and they all can make contributions to the international community.

Tsering very much appreciated Li's view.

He told Li that he had visited Tibet before he came to Beijing.

He expressed his admiration for the economic achievements made by the Tibet Autonomous Region under the leadership of the central government.

He reaffirmed that the Bhutanese Government has always held that Tibet is an inalienable part of China's territory. Bhutan is willing to develop its friendly contacts with the Tibet Autonomous Region.

Meets Qian Qichen

OW2206214292 Beijing XINHUA in English
1629 GMT 22 Jun 92

[Text] Beijing, June 22 (XINHUA)—Qian Qichen, Chinese state councilor and foreign minister, met here today with visiting Bhutanese Foreign Minister Dawa Tsering and his party, who attended the eighth round of border talks between China and Bhutan in Beijing.

In a friendly conversation, Qian exchanged views with Dawa Tsering on bilateral relations and international issues. The two ministers hope to promote the development of the friendly and good-neighbor relations between the two countries.

Qian explained China's stance on human rights. He said that all peoples have fundamental rights to the necessities of life.

Tsering agreed with Qian, saying that China, which can feed and cloth its 1.1 billion people, has made remarkable achievements in this regard.

The two ministers also hoped that China and Bhutan will cooperate and support each other in international affairs.

Joint Communique Issued on Bhutanese Border Talks

OW2306025792 Beijing XINHUA in English
0242 GMT 23 Jun 92

[Text] Beijing, June 23 (XINHUA)—The joint press communique of the eighth round of Sino-Bhutanese boundary talks was issued here today.

The full text of the communique follows:

The eighth round of boundary talks between the People's Republic of China and the Kingdom of Bhutan was held in Beijing from 18 to 22 June 1992. The Chinese delegation was headed by Vice Foreign Minister Xu Dunxin and the Bhutanese delegation by Foreign Minister Dawa Tsering.

Premier Li Peng of the State Council and State Councilor and Foreign Minister Qian Qichen of the People's Republic of China separately met with Foreign Minister Dawa Tsering and his entourage. The two sides had friendly and cordial conversations and exchanged views on the bilateral relations and international issues.

The eighth round of boundary talks was held in a sincere and friendly atmosphere. The two sides held consultations on the boundary delimitation. The talks were positive and beneficial, and deepened mutual understanding. The two sides expressed readiness to exert joint efforts for the final settlement of the boundary question at an early date.

The two sides decided to hold the ninth round of boundary talks in Thimpu at an appropriate time in 1993. The specific dates of the talks would be determined by the two governments through diplomatic channels.

CPPCC Delegation Arrives in Islamabad

OW1906175992 Beijing XINHUA in English
1452 GMT 19 Jun 92

[Text] Islamabad, June 19 (XINHUA)—A delegation of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) headed by its Vice-Chairman Qian Zhenying arrived here this afternoon on a week-long goodwill visit to Pakistan.

Talking to newsmen at Islamabad Airport, Qian Zhenying said that under the present world situation which is in turmoil, it is "more than necessary" to strengthen cooperation and friendship between the two countries.

During the visit, the CPPCC delegation is scheduled to call on President Ghulam Ishaq Khan, Prime Minister Nawaz Sharif, Senate Chairman Wasim Sajid Jan and National Assembly Speaker Gohar Ayub Khan.

The delegation will also have meetings with some federal ministers besides visiting Quetta, capital of Baluchistan Province, and Karachi, the largest sea port city of Pakistan.

Pakistani Official on PRC's World Role

OW2106154992 Beijing XINHUA in English
1520 GMT 21 Jun 92

[Text] Islamabad, June 21 (XINHUA)—Pakistan Foreign Secretary General Akram Zaki said here today that the balance of power in the world requires China to shoulder a bigger responsibility in the region in the wake of disappearance of the Soviet Union.

He made the observation during a meeting with a Chinese delegation headed by Qian Zhengying, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC). The Chinese CPPCC delegation arrived here Friday for a week-long visit to Pakistan.

Believing China will have its own influence in maintaining world peace and peace in the region in particular, Zaki said China is an important force for maintaining world peace and stability under the fast changing world situation.

He said both Pakistan and China are opposing power politics and hegemonism and all Third World countries

must work together to resist against the trend that some countries are trying to impose their own ideals on other countries.

No single country in the world should be allowed to decide the destiny of the world which should be decided by all countries together, he stressed.

Both Pakistan and China are for the establishment of a new international order based on the U.N. Charter, the principles of peaceful coexistence, particularly the principles of sovereign equality and non-interference in others' internal affairs.

He highlighted the importance of consolidating cooperation and the relationship between Pakistan and China, saying that it is conducive to peace and stability in the region.

On the occasion, CPPCC delegation leader Qian Zhengying agreed with Akram Zaki, saying it is imperative for China and Pakistan to strengthen cooperation and work together for the establishment of a just and rational new world order.

The Chinese CPPCC delegation leader also spoke highly of Pakistan's positive efforts for the peaceful settlement of regional issues like the Afghanistan issue.

Pakistani President Comments on Friendship

OW2306100692 Beijing XINHUA in English
0935 GMT 23 Jun 92

[Text] Islamabad, June 23 (XINHUA)—Pakistan President Ghulam Ishaq Khan said here today that to develop friendship with China is a cornerstone of Pakistan's policy.

Meeting a delegation of the national committee of the Chinese People's Political Consultative Conference (CPPCC) at the presidential palace here, the president said the time-tested friendship between Pakistan and China will never change and will pass from generation to generation no matter how the situation in the world changes.

Welcoming the CPPCC delegation led by its Vice Chairman Qian Zhengying, he said that frequent exchange of visits at top levels since the establishment of diplomatic relations in 1951 between the two countries had greatly promoted the bilateral friendly relations.

At present, he said the world is undergoing a period of transition, which is a difficult period, and under such a situation Pakistan and China should stand side by side more firmly.

The president holds that with the collapse of the Soviet Union China is an important factor to keep the balance of the world power and to maintain the world peace, hoping China would play its important role in the U.N. Security Council by siding with medium-sized and small countries.

He believed the mutual understanding between Pakistan and China would be further strengthened.

Meanwhile, Pakistan Prime Minister Nawaz Sharif today had a separate meeting with the CPPCC delegation at the prime minister's house here.

On the occasion, Nawaz Sharif said under the present world situation, to strengthen friendly relations between Pakistan and China is of great importance and believed that Sino-Pakistan friendship would remain unshakeable.

The prime minister attached importance to the visit of the CPPCC delegation in strengthening the bilateral relations.

Both President Ishaq Khan and Prime Minister Nawaz Sharif condoled with the CPPCC delegation leader on the death of CPPCC Chairman Li Xiannian.

The Chinese delegation leader assured Pakistani leaders that the Chinese Government and people value the Sino-Pakistan friendship which is time-tested and deeply-rooted in the hearts of the two peoples.

The CPPCC delegation, which arrived here on June 19 for a goodwill visit to Pakistan at the invitation of Pakistan senate, will conclude its visit on June 27 after touring Pakistan's major cities of Quetta and Karachi.

'News Analysis' Views Israeli Elections

OW2006124692 Beijing XINHUA in English
1152 GMT 20 Jun 92

[“News Analysis” by Li Hongqi and Yu Dabo: “Voters Want Change, but Fluctuate Over Candidates”]

[Text] Jerusalem, June 20 (XINHUA)—A new broom sweeps clean—this old saying might well be applied to describe the general sentiment of Israeli voters demanding changes in the government in the June 23 elections.

But this does not necessarily mean that the ruling Likud bloc is doomed and the opposition Labor Party will take over.

Three days away from the elections, a large portion of voters still remained undecided over which party they would vote for, according to the latest surveys.

“To choose or not to choose, that's a question,” said Ora Moshe, a travel agent who was caught in the same dilemma.

Moshe, like many other Israeli voters interviewed by XINHUA, said she could not see much difference among the contending candidates and would not make her decision until the last minute on the election day. Moshe had voted for Labor in previous elections.

The fluctuating moods of Israeli voters rendered the elections vague.

The Labor Party had an upper edge over Likud in pre-election polls, but surveys published over the weekend said its gap with Likud has been narrowed as the elections are approaching.

A total of 25 parties are scrambling for parliamentary seats, but only Likud and Labor, as in the past, are dominant forces in the elections.

To unseat Likud, Labor is capitalizing on the slow pace of peace talks, rising unemployment, inflation and the problem of housing and employing some 400,000 new immigrants.

Much of the election campaign is focused on security issues amid a new wave of anti-Israeli violence in the occupied territories and in view of the growing support for the peace process.

Likud is harping on its claim to every inch of the Arab territories Israel seized in the 1967 Middle East war and its rejection to halt settlement building in the occupied lands, while Labor is offering a mixture of toughness and commitment to peace talks.

To attract centrist voters away from Prime Minister Yitzhaq Shamir, Labor Leader Yitzhaq Rabin said that once in power he would reduce what he called unnecessary "political settlements" in the occupied West Bank and Gaza Strip and negotiate a return of "some land" to Arab control but not areas like the Golan Heights and parts of the West Bank and Gaza he considers vital to Israel's security.

Different as their platforms might seem, Likud and Labor are identical on issues of essence: Both are opposed to a return to the pre-1967 borders, refuse to recognize the internationally acknowledged Palestine Liberation Organization as the legitimate representative of the Palestinian people, and object to the establishment of an independent Palestinian state.

Labor has one more thing to lean on—the American support. Despite the U.S. claim to keep its hands off from the Israeli elections, Washington has already signaled its inclination.

American officials, privately—but clearly—hoped that Labor will win the elections to push forward the U.S.-backed peace talks with more flexibility. They have indicated that after the elections the U.S. would reconsider Israel's request for the 10 billion dollars in loan guarantees Washington withheld because of Shamir's refusal to halt settlement building in the occupied territories.

The offer, made days before the elections, was seen as an attempt to lure Israeli voters, hard-hit by rising unemployment and inflation, to vote for Labor.

Labor has its difficulties too. Its dovish makeup may alienate voters who want a tough posture toward the Arabs.

Neither Labor nor Likud has guarantees for an outright victory in the elections. Both will not be able to get the required 60 seats in the 120-member parliament to form the next government.

As a result, small left-leaning and right-wing parties will play a kingmaker role in a Labor—or Likud-led coalition government.

Labor clearly has the support of three left-wing parties which joined forces under the name "Meretz." But a pure-left-wing coalition has already been ruled out by Rabin himself, who has stated that under no circumstances will he base a coalition on the pro-PLO Arab parties.

For lack of sufficient seats, Labor might also woo the money-seeking far-right religious parties, which traditionally hold the balance of power.

Another Likud-Labor unity government is not out of the question. Although both Shamir and Rabin hate to admit in public the possibility of forming another coalition, like the one formed in 1988 and split two years later, an inconclusive election could probably force the two bitter rivals to join hands again.

The elections' outcome appeared elusive. One sign, however, has become clear—the growing apathy of voters toward the elections.

"This is the characteristic of this year's elections," said Ehud Sprinzak, professor of Israeli affairs at Hebrew University. "People want change from the elections, but many have no trust in any parties. That is the contradiction."

Israel Welcomes U.S. Stand on PLO Meeting

*OW2106141592 Beijing XINHUA in English
1323 GMT 21 Jun 92*

[Text] Jerusalem, June 21 (XINHUA)—The Israeli Government today welcomed the U.S. criticism of the recent PLO-Palestinian meeting, but softened its threats to arrest those involved in the meeting with PLO Chairman Yasir 'Arafat.

At a cabinet meeting, both Prime Minister Yitzhaq Shamir and Foreign Minister David Levi expressed "satisfaction" with the way the United States reacted to the meeting, Israel Radio reported.

Shamir, in response to a request by Finance Minister Yitzhaq Moda'i to take harsh measures, said the Palestinians involved "will be treated like any other citizens or residents" after they return to Israel.

But Shamir added that the issue "is up to the attorney general and that the Palestinians concerned "will be investigated and treated in accordance with the law just like anyone else." He did not elaborate.

Shamir's remarks followed a police announcement that the Palestinians would not be arrested upon their return, a reversal of their earlier decision to put them in jail.

The Palestinians Hanan 'Ashrawi, spokeswoman of the Palestinian negotiating team, its chief delegate Haydar 'Abd-al-Shafi and top advisor Faysal al-Husayni—held their first public meeting with 'Arafat in Amman, Jordan.

The meeting was filmed and screened by TV stations throughout the world, prompting Israel to break its previous "silence" toward such contacts. Israel had turned a blind eye to such previous meetings so long as they were not photographed.

Israeli officials said Washington had exerted pressure on Israel not to arrest the Palestinians for fear that the Middle East peace process would be put on hold.

The PLO-Palestinian meeting meanwhile was reportedly condemned by Washington.

"We've repeatedly stated that the PLO is not part of the peace process that we have helped construct, and we're thus troubled by the meeting and we have conveyed our concerns to the Palestinians," State Department Spokesman Richard Boucher told reporters.

But Boucher refused to provide any analysis of the situation or even say why the U.S. was troubled by the meeting.

Shamir told an election rally in Holon Saturday night that "The U.S. today has underscored what Israel had been stressing all along: the PLO will not be party to the peace negotiations currently under way."

Israel refuses contacts with the Palestine Liberation Organization which it regards as "a terrorist group." The 1986 Israeli law bars residents of the occupied territories as well as Israelis from meeting with the PLO. Those violating the law can face a maximum three-year prison sentence.

Speaking in Amman this morning, 'Ashrawi welcomed what she called Israel's softening of threats to arrest those who have met 'Arafat. She was reacting to the police statement that the Palestinians concerned would not be arrested immediately on their return from Jordan, but would rather be investigated.

The Palestinians are not expected to return to Israel before the June 23 elections.

Tunisian Minister Receives Naval Commander

OW2306091192 Beijing XINHUA Domestic Service
in Chinese 0537 GMT 23 Jun 92

[By reporter Zhou Xungang (0719 6064 0474)]

[Text] Tunis, 22 June (XINHUA)—This morning, Tunisian Minister of National Defense Abdelaziz Ben Dhia

met here with a Chinese naval delegation led by Lieutenant General Zhang Lianzhong, naval commander of the Chinese People's Liberation Army.

Minister Ben Dhia said: Both Tunisia and China are doing what they can to promote peace and cooperation. Relations between the two countries have been very good in the past and will be even better in the future. Commander Zhang's visit will serve to further the friendly relations between the two countries and the two armies.

Conveying Chinese Minister of National Defense Qin Jiwei's regards to Minister Ben Dhia, Zhang Lianzhong said: As both China and Tunisia are developing countries, love peace, and share identical or similar views on many international issues, there is a good foundation for cooperation between the two countries. Zhang Lianzhong added that his visit is intended to promote friendly cooperation between the two armies, especially the two navies, and to enhance mutual understanding between the two navies.

Minister Ben Dhia asked Zhang Lianzhong to convey his regards to Minister Qin Jiwei, inviting him to visit Tunis at his convenience.

West Europe

EC 'Welcomes China's Effort' To Boost Imports

OW2306022492 Beijing XINHUA in English
0211 GMT 23 Jun 92

[Text] Brussels, June 22 (XINHUA)—Vice-President of the Commission of the European Community Frans Andriessen said here today that the EC welcomes China's effort to boost import from Europe.

Andriessen made the remarks during his meeting with Gan Ziyu, Chinese vice-minister in charge of the State Planning Commission. Gan is head of a governmental delegation which is on a purchasing tour in Europe.

The delegation's current tour was a positive step of the Chinese Government to cement economic and trade ties with the EC, Andriessen said.

The vice-president said that trade between China and the community was complementary and expressed the hope that Gan's tour would contribute greatly to Chinese-European trade.

Earlier, Gan met with Leon Brittan, another vice-president of the EC Commission.

Gan briefed both vice-presidents on the purposes of his delegation's mission, saying the trip indicated China's commitment of maintaining and further developing trade relations with Europe and increasing import from the region.

The vice-minister said his delegation, consisting of trade officials from all around China, would make the largest

purchase of a wide variety of commodities China had ever bought from Western Europe and some two-thirds of the goods would be paid in cash.

In a public lecture on Monday, Gan said great potential existed in trade between China and the European Community, given the high complementarity of their trade.

Trade officials from Beijing, Shanghai, Tianjin and Hainan also briefed the audience on the present situation and policies of the opening up process in the coastal areas.

The shopping group arrived here Saturday for a three-day tour.

Further on Increased Imports

*HK2306035092 Beijing CHINA DAILY in English
23 Jun 92 p 1*

[By staff reporter Wang Yong: "China To Increase Imports From EC"]

[Text] Brussels—China will increase its imports from the European Community (EC) nations in the coming years to promote the bilateral trade that has resurfaced in the past few years, Chinese trade officials said here yesterday.

Gan Ziyu, Vice-Minister of the State Planning Commission who heads China's current high-powered buying mission to Western Europe, reaffirmed that China attaches great importance to developing economic relations with Western European countries, including EC member states.

In a meeting with Chinese officials at EC Commission headquarters yesterday, Francis Andriessen, Vice-Chairman in charge of EC's external relations, said he appreciated the importance of the Chinese mission.

"I hope the mission will contribute to increased trade relations (between China and the EC) in a broader sense," he said.

L. Brittan, another EC Vice-Chairman, also had friendly talks with Chinese trade officials yesterday.

Analysts here said the high-level meetings show both sides are ready to expand their co-operation.

EC officials expressed hope that the mission will help more EC products enter the Chinese markets in the future.

Gu Yongjiang, Vice-Minister of the Chinese Ministry of Foreign Economic Relations and Trade and also deputy head of the mission, said, "China arranged the mission with the view to boost long-term co-operation between our two sides."

The mission will spend more than \$1.6 billion on imports from Western Europe on this trip, surpassing the amount for last year's mission.

China expects to buy more than \$100 million in products from Belgium during the mission, Gan said.

The China National Instruments Import and Export Corporation will today sign some \$76 million in contracts and agreements with Belgium's Bell Corporation to import its digital programme-controlled telephones.

While the mission is in Rome, the China National Technical Import and Export Corporation will on Thursday sign about \$130 million in contracts to buy Italy's PTA equipment.

The corporation's total purchase value in Italy, Austria, Germany, and Belgium is expected to surpass \$500 million.

Tian Jiyun Meets British Business Delegation

*OW2206125292 Beijing XINHUA in English
1121 GMT 22 Jun 92*

[Text] Beijing, June 22 (XINHUA)—Chinese Vice-Premier Tian Jiyun met with a delegation from the Inchcape Group of Britain, led by managing director of the board David John here today.

Tian and the delegation discussed the co-operation between the Inchcape Group and China's relevant departments.

A British-funded transnational service and trade corporation, the Inchcape Group has branches and offices in 60 countries and regions. Its business volume in the Asia-Pacific region accounts for over a half of its total.

In 1990, the trade volume of the Inchcape China Limited, headquartered in Hong Kong, with China reached 300 million U.S. dollars. The Inchcape Group has representatives in Beijing, Shanghai, Guangzhou and Nanjing, and it plans to establish another branch in Shanghai's New Pudong District.

The delegation arrived here June 21 at the invitation of the China Council for the Promotion of International Trade (CCPIT).

Members of the delegation include Paul M.F. Cheng, chairman of the Hong Kong General Chamber of Commerce, and the earl of Cromer, president of the Inchcape China Limited and member of the U.K. upper house.

The delegation will also visit Shanghai.

Portuguese President Meets Procuratorate Group

OW2106062692 Beijing Central People's Radio Network in Mandarin 1700 GMT 17 Jun 92

[From the "International News and Current Events" program]

[Text] At a meeting with the Chinese procuratorate delegation on 17 June, Portuguese President Mario

Soares said that Portugal and China are presently maintaining good relations, and exchanges between prosecutorial departments from the two countries have great significance.

During the conversation, he stressed the importance of Portugal and China further developing their friendly relations, and recalled the friendly events during his visit to China in 1980.

The Chinese procuratorate delegation, led by Xiao Yang, Deputy Procurator General of the Supreme People's Procuratorate, arrived in Lisbon on 15 June for a six-day visit to Portugal at the invitation of the Portuguese Prosecutor-General (Rodriguez).

The purpose of the delegation's visit is to strengthen mutual understanding and exchanges between the prosecutorial circles of China and Portugal, and to study the Portuguese judicial system.

Political & Social**Ye Xuanping May Succeed Li Xiannian in CPPCC**

*HK2306095492 Hong Kong MING PAO
in Chinese 23 Jun 92 p 8*

[Article by Ming Fan (2494 1581): "Ye Xuanping Will Possibly Occupy Highest CPPCC Post After Deaths of Li Xiannian and Wang Renzhong"]

[Text] Veteran CPC founder Li Xiannian, who was advanced in years, eventually passed away after suffering from illness for a long time. Who will be the chairman of the Chinese People's Political Consultative Conference [CPPCC] after Li's death? People abroad who have followed China's political situation with interest are concerned about this question.

As a matter of fact, when the news that Li Xiannian was suffering from a serious illness spread in Beijing two years ago, the top CPC levels had already started to seek a successor. It is said that the personnel arrangements would be made at the 14th Party Congress to be held at the end of this year. Because of Li Xiannian's death, it seems that the CPC authorities will have to readjust the CPPCC leading body ahead of schedule.

In the past, vice chairman Wang Renzhong was regarded as the principal candidate for chairman of the next CPPCC (Wang Renzhong is eight years younger than Li Xiannian). When the CPC assumed power in 1949, both Li and Wang worked in Hubei, as secretary of the Hubei CPC Committee and vice chairman of the provincial government respectively. Later, they assumed office as head of Wuhan City government [position as published] one after another and were then transferred from that locality to the central authorities. The two worked together in the State Council and the CPPCC. As Wang Renzhong and Li Xiannian were colleagues for a long time and the two shared identical views in political affairs, Wang was always regarded as a successor to Li. However, Wang's sudden death on the eve of the Fifth Session of the Seventh National People's Congress [NPC] in March this year disrupted the CPC authorities' plan, leaving the position vacant.

Following the death of Wang Renzhong, which of the CPPCC vice chairmen will succeed Li? It is currently hard to make a final decision. Fang Yi, Gu Mu, and Wang Enmao have long records of service while Hong Xuezhi, from the military, and former Guangdong Governor Ye Xuanping have sound political foundations.

Following the death of Wang Renzhong in March, Hong Xuezhi, who had been elected vice chairman by bye-election for only a year, unexpectedly presided over the Fifth Session of the Seventh CPPCC, sharply increasing his reputation abroad. A number of foreign observers regard him as a popular candidate for chairman at the next session. Nevertheless, Hong Xuezhi, who is from the military, does not enjoy due prestige in the CPPCC, which is mainly composed of intellectuals. Meanwhile,

he is also not good at carrying out work among intellectuals. For this reason, it is said that Hong, who is just playing an interim role, is not the "real prince."

According to news from Beijing, Ye Xuanping, who was elected vice chairman by bye-election last year together with Hong Xuezhi, is likely to be the "real prince." Ye Xuanping, 67, is now in the prime of life. As the son of a marshal, he maintains close relations with the party veterans. Politically, he is absolutely reliable. As he has worked in coastal Guangdong for a long time, he is open-minded and maintains good ties with the intellectuals. He is well received by intellectuals at home and abroad. Therefore, he is regarded as the best candidate for doing CPPCC work. Although Ye Xuanping has repeatedly declined the offer, it has been reported that the top levels had determined long ago to appoint him chairman of the next CPPCC.

As regards the senior vice chairmen, including Fang Yi, Gu Mu, and Wang Enmao, they withdrew to the second line long ago. It is generally believed that they have accomplished their mission and will withdraw from the political arena after the 14th Party Congress.

Regarding the candidates for the CPPCC chairman, there has been lots of conjecture abroad. For example, some people predicted that Yan Mingfu, and even Zhao Ziyang, would stage a comeback. According to reliable information, and viewed from the mainland's current political situation, Zhao Ziyang's comeback will be impossible while the CPC veterans are still alive. We will also have to wait and see whether Yan Mingfu can be reelected to the CPC Central Committee.

Jiang Zemin, Others Visited Dying Li Xiannian

*OW2206115092 Beijing Central Television Program
One Network in Mandarin 1100 GMT 22 Jun 92*

[From the "National News Hookup" program]

[Text] According to XINHUA, Comrade Li Xiannian, a great revolutionary, statesman and strategist of the proletariat, a staunch Marxist, an outstanding party and state leader, and chairman of the National Committee of the Chinese People's Political Consultative Conference, died of illness in Beijing at 2236 on 21 June 1992 at the age of 83.

When Comrade Li Xiannian was dying, Comrades Jiang Zemin, Yang Shangkun, Li Peng, Wan Li, Peng Zhen, Qiao Shi, Yao Yilin, Song Ping, Li Ruihuan, Tian Jiyun, Li Tieying, Li Ximin, Ding Guangen, Zhu Rongji, Bo Yibo, Song Renqiong, Liu Huqing, and Wen Jiabao visited him in the hospital. After Comrade Li Xiannian died, leading comrades from the central authorities express their cordial condolences to Comrade Lin Jiamei, the widow of Li Xiannian, and their children.

When Comrade Li Xiannian was critically ill, Comrades Deng Xiaoping, Chen Yun, Deng Yingchao, and Wang Zhen sent their aides to visit Comrade Li Xiannian at hospital.

Comrades Wang Ping, Liu Lantao, Xiao Ke, Yu Qiuli, Chen Xilian, Duan Junyi, Geng Biao, Peng Chong, Seypidin Aze, Liao Hansheng, Ni Zhifu, Chen Muhua, Lei Jieqiong, Wang Hanbin, Wang Bingqian, Song Jian, Fang Yi, Hong Xuezhi, Gu Mu, Yang Jingren, Wang Guangying, Ma Wenrui, Hu Sheng, and Cheng Siyuan also visited Comrade Li Xiannian in the hospital.

After Comrade Li Xiannian died, Comrades Qin Jiwei, Zou Jiahua, Yang Baibing, Yang Dezhi, Chen Pixian, Hu Qiaomu, Kang Shien, Xi Zhongxun, and Zhu Xuefan also expressed their condolences by phone.

Comrade Li Xiannian left this will when he was critically ill: "Funeral arrangements must be simple; everything should be arranged according to the rules of the Central Committee."

Further Reportage on Li Xiannian Obituary

*OW2206111992 Beijing XINHUA Domestic Service
in Chinese 0956 GMT 22 Jun 92*

[Obituary issued by the CPC Central Committee, the National People's Congress (NPC) Standing Committee, the State Council, the Central Military Commission, and the National Committee of the Chinese People's Political Consultative Conference (CPPCC) in Beijing on 22 June]

[Text] Beijing, 22 June (XINHUA)—The CPC Central Committee, the PRC NPC Standing Committee, the PRC State Council, the Central Military Commission, and the National CPPCC Committee announce with deep sorrow that Comrade Li Xiannian, a great revolutionary, statesman and strategist of the proletariat, a staunch Marxist, an outstanding party and state leader, and chairman of the National CPPCC Committee, died of illness in Beijing at 2236 [1336 GMT] on 21 June 1992 at the age of 83.

Comrade Li Xiannian's life was a brilliant and militant one. When he was still young, he threw himself into CPC-led revolutions, took part in the Huangma Uprising, and successively served as secretary of the Poannan County Party Committee; chairman of the county soviet; political commissar of the army group, division and corps of the Fourth Front Army of the Chinese Workers' and Peasants' Red Army; and member of the Central Executive Committee of the Soviet Republic of China. Under the leadership of Comrade Xu Xiangqian, he took part and commanded many major campaigns and battles, and carried out extremely arduous struggles in creating the Hubei-Henan-Anhui and Sichuan-Shaanxi revolutionary bastions. During the Long March, he led the vanguards of the Fourth Front Army of the Red Army to greet the CPC Central Committee and the First Front Army of the Red Army, and

thus the forces were joined in Maogong; he commanded the Baozuo battle, which opened the northward corridor; and he firmly resisted Zhang Guotao's separatist activities, and supported the northward movement of the Second Front Army of the Red Army, contributing to the joining of three major forces of the Red Army. After the joining of forces in Huining, the Central Military Commission instructed the Fourth Front Army to dispatch some of its troops to cross the Huang He to the west and carry out the Ningxia campaign. After leading the troops to cross the natural barrier, he waged a bloody battle along the Hexi corridor and served as a member of the West Route Army Military Administrative Commission. When the situation was perilous after the West Route Army was defeated, he accepted the order and took charge of the military command and led the remaining troops to cross the Qilian Mountain and the Gobi Desert. After numerous hardships, they arrived in Xinjiang, and a large number of backbone fighters for the party was preserved. During the War of Resistance Against Japan, he served as vice chairman and chief of the military department of the Military Commission under the Henan-Hubei Border Provincial Party Committee, and also commander of the Henan-Hebei Advance Column, and commander and political commissar of the Fifth Division of the New Fourth Army. At the isolated, heartland areas controlled by the enemy and its puppet, he and his troops repeatedly waged strenuous and hard struggles against the "mop-up" campaigns waged by Japanese and puppet troops and attacks launched by Kuomintang diehards, thus independently creating a strategic bastion on Central Plains to resist Japanese aggression—bastion with over 10 million people—and also creating a regular armed force with over 50,000 people and a militia force of over 300,000 people.

During the War of Liberation, he was commander of the Central Plains Military District, directing the troops under his command in maintaining the strategy of containing over 300,000 Kuomintang troops. Shortly afterward, he led his troops in breaking out of an encirclement by enemy forces, thereby winning fame at home and abroad, and lifting the curtain on the War of Liberation. Before the war entered the phase of strategic offensives, he served as second deputy secretary of the newly established CPC Central Plains Bureau and deputy commander of the Shanxi-Hubei-Shandong-Henan Military District. He continued to serve as second deputy commander of the reestablished Central Plains Military District and helped the troops under the command of Liu Bocheng and Deng Xiaoping rebuild the Dabieshan base area. From the Agrarian Revolutionary War to the period of national liberation, Comrade Li Xiannian steadfastly and creatively implemented the party's strategies and tactics as well as Mao Zedong's military thinking. He rendered indelible meritorious services for the victory in China's revolution and the founding of the PRC.

After the founding of the PRC, Comrade Li Xiannian was successively secretary of the Hubei Provincial CPC

Committee and chairman of the provincial government while concurrently serving as secretary of the Wuhan City Party Committee and mayor of Wuhan city. He was also commander and concurrently political commissar of the Hubei Provincial Military District, deputy secretary of the CPC Central Committee's South-Central Bureau, and vice chairman of the South-Central Administrative Committee. During that period, he performed fruitful work within the context of local practical conditions in building and consolidating the people's democratic regime, reviving and developing the national economy, and transforming and building socialism. He was transferred to central office in 1954, serving as vice premier of the State Council and concurrently minister of finance, chairman of the Financial and Trade Office, and deputy head of the CPC Central Committee's Financial and Economic Group. He helped Comrades Zhou Enlai and Chen Yun take charge of economic construction, and did a great deal of work in planning, finance, banking, commerce, and foreign trade. During three difficult years, he assisted in guiding the work of readjusting the national economy, put forward practical and feasible policies and measures in finance and trade, and played an important role in overcoming and reversing the difficult situation at a fairly rapid pace. During the Great Cultural Revolution, he waged a firm struggle against the Lin Biao and Jiang Qing counterrevolutionary cliques, assisted in Premier Zhou Enlai's economic work under exceptionally difficult conditions, tried his best to reduce losses caused by the upheavals, and strived to maintain and develop the economy. In particular, Comrade Li Xiannian was one of the principal policymakers in the struggle to crush the Jiang Qing counterrevolutionary clique, thereby making significant contributions toward saving the party and revolution from a perilous situation. After quashing the Gang of Four, he became one of the principal party and state leaders, successively serving as vice chairman of the CPC Central Committee, member of the Standing Committee of the CPC Central Committee's Political Bureau, member of the Standing Committee of the Central Military Commission, president of the PRC, and chairman of the National Committee of the Chinese People's Political Consultative Conference. During that period, he helped Comrade Deng Xiaoping lead the entire party in realizing a great, historic turn by formulating the basic line of taking economic construction as the central task, upholding the Four Cardinal Principles, and keeping to the policy of reform and openness. He went all out to restore order, readjust the national economy, promote reform and openness, and extensively launch the socialist modernization drive. He worked hard to maintain social and political stability throughout the country, and firmly supported the central collective leadership with Comrade Jiang Zemin at the core. He also engaged in wide-ranging activities aimed at strengthening unity among various political parties, nationalities, and people from all circles; fortifying and expanding the patriotic united front; spurring cross-strait exchanges; promoting reunification of the motherland; and developing friendly relations with the peoples,

governments, and political parties of various countries. And he made notable contributions in this regard.

Comrade Li Xiannian was a member of the Seventh through the 12th CPC Central Committees, a member of the Political Bureau of the Eighth through the 12th CPC Central Committees, and a Standing Committee member of the Political Bureau of the 11th and 12th CPC Central Committees. During his revolutionary career of more than 60 years, he had firm faith in communism and absolute devotion to the party, the people, and the proletarian revolution. No matter how difficult the situation was, he never flinched a bit but persisted dauntlessly. He had the courage and resourcefulness of a proletarian revolutionary, was good at putting Marxism into practice, adhered to the mass line that calls for one who comes from the masses to go into the masses, and was creative in waging the revolutionary struggle and leading economic work. He had strong proletarian party spirit, always cared about the interests of the entire country, was a man of principle, upheld unity, and observed party discipline in an exemplary way. Having a broad mind, he was open, aboveboard, modest, and prudent. He cared about cadres and was good at discovering and cherishing talented people of talent. He was honest in performing his official duties, led a thrifty and simple life, and made strict demands of his children. Comrade Li Xiannian proved himself to be a proletarian revolutionary of the older generation who was of noble character and high prestige, had performed outstanding feats, and was deeply loved by the party, the army, and all ethnic people throughout the country.

The death of Comrade Li Xiannian has created a tremendous loss for the party and the country. The party, the army, and the people must turn their sorrow into strength, earnestly emulate Comrade Li Xiannian's revolutionary spirit and noble character, closely rally around the party Central Committee with Comrade Jiang Zemin at its core, and work unremittingly to develop socialism with Chinese characteristics.

Eternal glory to Comrade Li Xiannian, a great proletarian revolutionary, statesman, and strategist.

Party School Releases Videotape on Deng's Tour

*HK2106060892 Hong Kong MING PAO
in Chinese 21 Jun 92 p 24*

[Report: "Central Party School Releases Videotape on Deng Xiaoping's South China Tour"]

[Text] Different organizations in the China mainland have been making documentary videotapes about Deng Xiaoping's south China tour after his visit to Shenzhen and Zhuhai. A new documentary entitled "New Bugle Call—Apocalypse of Deng Xiaoping's South China Tour," jointly produced by the philosophy teaching and research section of Central Party School and SHEN-ZHEN FAZHI BAO, was released in videotape form yesterday, before the videotape release of the television

documentary, "Comrade Xiaoping in Shenzhen," produced by the Shenzhen Television Broadcast Station, is put on the market.

"New Bugle Call" is a 90 minute documentary, with more than 10 minutes devoted to Deng Xiaoping's inspection tour in Shenzhen and Zhuhai, mostly shots that have been released by the Central Television Broadcasting Station before. Deng Xiaoping's remarks quoted by this documentary are not more than what has already been disclosed in Central Document No. 2. The main theme is the propaganda on Shenzhen's achievement in construction. Although Professor Zhang Yongqian, a chief producer of the documentary and a member of the philosophy teaching and research section of the CPC Central Party School, claimed that their work is a nongovernmental product, the name of Lin Zuji, vice mayor of Shenzhen City, is found among other chief producers of the documentary.

It is said that this documentary was broadcast by Guangdong Television Broadcasting Station a few days ago and its videotape release is now on sale.

RENMIN RIBAO Chief Joins Reform Call

HK22061114192 Hong Kong AFP in English
1108 GMT 22 June 92

[Text] Beijing, June 22 (AFP)—The hardline leader of the Chinese Communist Party newspaper PEOPLE'S DAILY [RENMIN RIBAO] joined calls for faster reform with a lengthy commentary in his newspaper Monday.

Gao Di, the party organ's editor-in-chief, stressed that China's system of public ownership would remain dominant as he backed senior leader Deng Xiaoping's market-oriented reforms and calls against leftism.

"Those who hold leftist views believe that developing the private economy and foreign investment is developing capitalism. They do not understand," the newspaper editor wrote.

Gao is widely rumored to be among the communist conservatives Deng has considered removing from the propaganda and cultural leadership apparatus.

In his article, Gao put his support behind rural reforms, the reduction of state control in industry and the establishment of stock markets. He decried leftists who cling to the Marxist concept of "class struggle."

It was not immediately clear whether the article was intended to placate Deng and reformist leaders now in power or if Gao wanted to set down the leftist camp's ideas on the limits of reform, analysts said.

Although the basic tone of the article was reformist, Gao stressed that "things always have two sides."

"As the reform and opening has promoted great economic development in our country, it has also inevitably brought some negative things," he said.

The PEOPLE'S DAILY chief said that the public ownership system would remain dominant over other sectors, which he said were engaged in "permissible oppression," a reference to the pre-1949 capitalist system.

By contrast, Gao heaped praise on a model of the socialist command system, Beijing's Capital Iron and Steel Works.

Gao concluded his article by quoting Deng as saying that while combatting both the "left" and the "right," the leadership should refrain from persecution of individuals, political "struggles" and the destabilizing mass political movements of China's communist past.

Gao is the latest among conservative leaders to put his backing behind the new wind of reform, following the 87-year-old Deng's tour of southern China in January and February to promote faster economic change.

The hardliner seen as Deng's arch rival, Chen Yun, 87, publicly expressed in April his support for the fruits of the 13-year-old reform and opening policy.

Jiang, Li Brief Non-CPC Personnel on Policy

OW2306110592 Beijing XINHUA Domestic Service
in Chinese 0842 GMT 23 Jun 92

[By Central People's Radio Network reporter Liu Zhenying (0491 2182 5391) and XINHUA reporter Sun Benyao (1327 2609 1031)]

[Text] Beijing, 23 June (XINHUA)—The CPC Central Committee called a meeting at Zhongnanhai's Huairan Hall on the afternoon of 20 June to brief non-CPC personages on the situation of speeding up reform, opening up, and economic development. General Secretary Jiang Zemin stressed at the meeting that we must continue to unite all forces that can be united with, mobilize all positive factors, and do an even better job in pooling the wisdom and strength of people of all nationalities, members of all democratic parties and mass organizations, and people of all walks of life to liberate and develop productive forces, speed up reform, opening up and economic development, and accomplish the great cause of building a socialist society with distinctive Chinese characteristics.

The briefing was chaired by General Secretary Jiang Zemin. Leaders of central committees of all democratic parties, including Yan Jici, Fei Xiaotong, Sun Qimeng, Lei Jieqiong, Lu Jiaxi, Dong Yinchu, Cai Zimin, Jia Yibin, and Peng Qingyuan; Wang Guangying, leader of the All-China Federation of Industry and Commerce; and Ngapoi Ngawang Jigmei and Cheng Siyuan, representatives of personages without party affiliations, were present at the meeting.

Comrade Jiang Zemin briefly informed the attendees about the speech he made at the Central Party School on 9 June. On speeding up the restructuring of the economic

system, he said: Comrade Xiaoping's important expositions that planning and market are both economic means and not indicators for differentiating socialism and capitalism are totally correct because they are fully in line with the reality of commodity economic development and with the objective law for sizable and modern socialized production. These important expositions have fully emancipated our minds and laid the theoretical foundation for China's new socialist economic system.

Jiang Zemin said: The vast number of cadres and people the country over are now earnestly implementing the guidelines of Comrade Deng Xiaoping's important talks and the plenary session of the CPC Central Committee Political Bureau. The situation is very good. He pointed out: To accelerate the process of reform, opening up, and economic construction, people of all nationalities in the country must work hard with one heart and one mind. Among the members of all democratic parties and federations of industry and commerce, and among personages without party affiliations, there are many talented people and intellectuals; and they have extensive overseas contacts, and so their roles and influences will be very significant in construction and reform. Recently, as result of studying and implementing the guidelines of Comrade Xiaoping's important talks and the plenary session of the CPC Central Committee Political Bureau, people have displayed very high zeal for construction and reform. In addition to participating actively in the discussion of the state's important economic decisions, responsible comrades of some democratic parties have also gone deep into the realities of life to conduct investigation and study and to assess regional and special economic development strategies. They have also put forward many good suggestions.

Jiang Zemin said: It is the CPC Central Committee's earnest hope that personages of all democratic parties and the All-China Federation of Industry and Commerce, as well as those without party affiliations will continue to carry forward the glorious traditions of supporting the patriotic united front, continue to emancipate their minds and present their advice so as to make new contributions in further expediting reform and opening up and in accelerating China's economic development and overall social progress.

Premier Li Peng briefed the attendees on the progress of reform and opening up and the economic situation.

He said: Following the transmission of the guidelines of Comrade Deng Xiaoping's important talks and the plenary session of the CPC Central Committee Political Bureau, people throughout the country have become very eager to speed up reform, opening up, and economic construction. The CPC Central Committee and the State Council have held several meetings to discuss relevant issues and draw up specific measures for speeding up reform, opening up, and economic construction. The response from various parts of the country shows that the measures are essential and quite practical.

Li Peng said: The core of implementing the guidelines of Comrade Xiaoping's talks and drawing up various policies and measures lies in firmly adhering to the party's basic line characterized by "one center and two basic points," in seizing the current opportunities to speed up reform and opening to the outside world, and in striving to reach a higher economic level even more quickly. This is a strategic assignment for all party members and people throughout the country. Guided by the guidelines in Comrade Xiaoping's important talks, we must continue to emancipate our minds, heighten our morale, dedicate ourselves to our work, exert genuine—not fake—efforts, work boldly but meticulously, and work together to accomplish several major projects so that we can blaze a trail for speedy and efficient national economic development.

Speaking on measures for deepening reform, Li Peng said: We must focus on replacing enterprises' operating mechanisms. This is the central link of the restructuring of the entire economic system. To this end, we must speed up the pace of changing government functions, establishing and improving the social labor protective system, and nurturing and developing the market system.

On opening wider to the outside world, Li Peng said: Coastal open areas that have sprung up gradually in our country in the wake of reform and openness—including special economic zones, coastal open cities, and coastal open economic zones—have become the most vibrant and powerful economic regions in our country. Prompt action must be taken to open wider to the outside world and to further increase our country's economic and technological cooperation and exchanges with other countries. He noted: We should open up in all directions, at various levels, and in order of priorities. We should start with the development of Pudong in Shanghai and further open up the cities along the Chang Jiang. We should gradually open up border cities so as to promote openness to adjacent countries. We should also speed up the pace of opening up interior provinces and autonomous regions, extend the scope of openness, and put foreign capital to more uses.

Li Peng said: We should relentlessly perform several major tasks by implementing the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee, accelerating the development of a commodity economy in the countryside, and building key construction projects such as water conservancy, energy, communications, postal services, telecommunications, and raw and semifinished materials. In performing those tasks, we should also energetically develop tertiary industry in conjunction with economic restructuring, relocate residents from the Sanxia [Three Gorges] reservoir area in preparation for the construction of the Sanxia Project, and develop Yangpu in Hainan Province.

Li Peng said: While fully motivating localities and enterprises and encouraging brisk microeconomic activity, we must earnestly modify the government's functions,

improve macroeconomic regulatory means, increase macroeconomic regulation and control, and do a good job of guiding, protecting, and arousing the initiative of cadres and people.

Speaking on the current economic situation, Li Peng said: Since the beginning of this year, the national economy has grown rather rapidly while remaining within normal limits. Compared to the same period of last year, national total industrial output value at or above the township level rose 17.9 percent from January to May. Market activity was brisk in both urban and rural areas, and exports and imports continued to grow. The state's foreign exchange reserves increased further, and its financial revenues rose somewhat. Commodity prices were basically stable; the nationwide composite retail price index during the first six months is expected to increase by roughly 5 percent from the corresponding period of last year. Total output of summer grain may top 195 billion jin, approximating or slightly exceeding last year's output. Overall, the economy was quite stable and is expected to develop briskly. Macroeconomic regulation and control still plays a rather dominant role.

He noted: Though the growth rate of this year's gross national product [GNP] was originally set at 6 percent, it will substantially surpass that target in the course of actual implementation. Localities with the right conditions should pursue rapid development. According to the projections of economic departments, the GNP may grow 9 percent this year.

Li Peng said: To maintain the current momentum in economic development, we shall closely watch the way the national economy functions and actively adopt measures to provide guidance in dealing with current weak sectors, such as inadequate communications and transportation services, electricity and coal shortages in some areas, fairly large investment in fixed assets, and quite irrational structure.

During the briefing, Ding Guangen, member of the CPC Central Committee's Secretariat, gave a briefing on the CPC Central Committee's plans and measures for accelerating reform, openness, and economic development. Vice Premier Zhu Rongji of the State Council related the current economic situation. He stressed: Attention should be paid to continuing the restructuring drive, building infrastructure, and improving product quality and economic efficiency while moving to expedite economic construction.

Also present at the briefing were Peng Chong, Song Jian, Hong Xuezhi, and responsible persons from relevant departments of the CPC Central Committee, the State Council, the National People's Congress, and the National Committee of the Chinese People's Political Consultative Conference.

Commentator Urges 'Criticism by Newspapers'

HK2206144192 Chengdu SICHUAN RIBAO
in Chinese 30 May 92 p 1

[Commentator's article: "Correctly Treat Criticism by Newspapers"]

[Text] Launching criticism and self-criticism in newspapers is one of the fine traditions of our party organ as well as an important illustration of one of our party's three important styles of work. It is decided by the nature of socialist journalism and by the principles and party character of the party organs.

As early as during the war of resistance against Japanese aggression, the party Central Committee had already pointed out repeatedly that the entire party should be adept in using newspapers to launch criticisms, and has regarded this as an important way to enhance the fighting character of party organs. After the entire country was liberated, the CPC Central Committee specifically made the "decision on launching of criticisms and self-criticisms in newspapers and periodicals" in 1950. The decision stated: "The party's leading organs and cadres at all levels should adopt a revolutionary attitude of enthusiastically welcoming and resolutely safeguarding criticisms which reflect the people's views, and oppose the bureaucratic attitude of ignoring and restricting publication of the people's criticisms and of hitting at, retaliating, and mocking the critics." It also provided that "once a criticism is published in newspapers and periodicals, if it is entirely factual, then the object of the criticism should immediately acknowledge it in the same newspapers and periodicals and announce the results of its efforts to correct the mistakes. In case of partial inaccuracy, the object of criticism should make a correction in line with seeking truth from facts in the same newspapers and periodicals and accept the correct parts of the criticism."

On 25 November 1989, Comrade Li Ruihuan made an important speech: "Uphold guidelines focusing primarily on positive propaganda" where he stressed once again that "upholding a guideline which focuses primarily on positive propaganda is consistent with efforts to carry out correctly supervision by media," "launching criticism is a requirement in the cause led by our party and in the self-building of our party; it is also a manifestation of our party's self-confidence and forcefulness."

But at present, launching criticism in the party's newspapers and periodicals is hardly a universally acknowledged fact. On the part of newspapers and periodicals, there are the problems of not being skillful in making criticisms, difficulty of verifying facts, fear of being pestered by those criticized, and fear of lawsuits. It is necessary for journalists to exert efforts to overcome and remedy these problems. Since the party and the people need the supervision of media and the criticism in newspapers, we can only advance against the adversity and refrain from retreating because of it. As long as we have a correct viewpoint and attitude in our criticism,

and the facts being criticized are basically true and consistent with the provisions of the constitution and the laws, then we will be supported by the party and people.

The present difficulty in making criticism in newspapers stems primarily from obstruction by some who are being criticized. A fairly common case is "concealment of faults for fear of criticism." Some departments, units, and individuals who are criticized maintain that "dirty laundry should not be washed in public," and so set up barriers to prevent reporters from investigating and verifying facts, or they plead their cases everywhere and confuse right and wrong, also making it hard to carry out healthy critical reports in a normal way. Worse are those who seize at the minor details of a critical report in an attempt to negate the correctness and veracity of the entire critical report and then resort to senseless harassment by filing complaints everywhere and spending tens of yuans to lodge a lawsuit against the press, causing the editors-in-chief and reporters of certain newspapers to dread criticisms as they have to "devote 30 percent of their energy to running the newspaper and 70 percent of their energy to dealing with lawsuits." This makes it difficult to carry out boldly the task of supervision by media as entrusted by the party and people to the party departments, and also makes it impossible to fully display the supervisory role of party departments as members of media.

Obviously, this attitude toward criticism by newspapers of those criticized is wrong as it is also a manifestation of incorrect party style as well as an unhealthy social practice. The correct attitude should be as follows: As long as the criticism is basically correct, it should be accepted with humility and corrected actively, and in carrying out self-criticism, clarifying the inaccuracies in certain criticism or issue a statement of correction in line with seeking truth from facts. Once amendments are made, this will not only have no effect on reputations, but will instead earn the understanding as well as confidence of the party and people.

Basically speaking, the problem of the newspapers' difficulty in conducting criticism and of improving the environment for supervision by media has to be resolved by stepping up the building of party style and by earnestly pursuing the party's three important styles of work. It is hoped that cadres who are party members, especially leading cadres, will correctly understand the importance of supervision by media and actively support newspapers in making criticisms. At the same time, it is also necessary to rely on the legal system to resolve the question because supervision by media and criticism by newspapers should have legal guarantees. Incidents where those criticized engage in senseless pesterings and abuse the right to appeal should be legally restricted. It is also hoped that the discipline inspection commissions and judicial departments will show more concern and support to newspapers in conducting correct criticisms. Just as the 1950 decision of the CPC Central Committee stated: "In case those criticized refuse to make known their positions or retaliate against their critics, they

should be dealt with by the party's discipline inspection commission. In case the aforementioned incident violates administrative discipline and law, it should be handled by the state's supervisory organ and judicial organ." It is also stipulated, in 1954, in the "CPC Central Committee's resolution on improving newspaper work" that: "If those criticized refuse to accept correct criticism or refuse to make amends, they should continue to be criticized until they make amends."

We believe that as long as the entire party and the entire people share a consensus on supervision by media and actively support newspapers in conducting healthy criticisms, as long as there are legal guarantees, and as long as the various news units stand on the side of the party and people, endeavor to improve their critical reports, strive for facts and accuracy, comply with the law, and set out to help people, then the difficulty in making criticisms will be gradually resolved. In spreading the party's basic line of "one center and two basic points" and praising achievements in reform and opening up, we should help the party and the people overcome the flaws in their undertakings, and expose certain negative and ugly phenomena in social life so that the various endeavors of the party and the people can be carried out more steadfastly and more effectively.

Qiao Shi Warns Against 'Leftist' Deviations

OW2106103392 Beijing XINHUA Domestic Service in Chinese 0530 GMT 21 Jun 92

[By reporter Yin Xuecheng (3009 1331 2052)]

[Text] Nanjing, 21 June (XINHUA)—During his recent inspection tour of Jiangsu, Qiao Shi, member of the Standing Committee of the Political Bureau of the CPC Central Committee, stressed: At present, cadres at all levels, particularly leading cadres, should penetratingly and thoroughly study well Comrade Deng Xiaoping's recent important talks; profoundly understand their essential spirit; and turn them into a strong motive force in implementing the party's basic line, accelerating the pace of reform and opening to the outside world, and promoting the construction of material and spiritual civilization.

Accompanied by Secretary of the Jiangsu Provincial Party Committee, Shen Daren, Governor Shen Huanyou, and Deputy Party Secretary Cao Hongming, Qiao Shi visited Suzhou, Wuxi, Changzhou, Zhenjiang, and Nanjing from 12 to 20 June, where he inspected a number of enterprises and towns and villages, chatted with cadres, the masses, and scientific and technological personnel, and received a briefing from the provincial party committee on its work. Qiao Shi said: Jiangsu has developed its economy fairly rapidly in recent years, and it has also done a fairly good job of building the spiritual civilization. It has accumulated much experience. I hope that the people across the province will continue to exert themselves and advance work in all fields even more rapidly and successfully.

Everywhere on his journey, cadres and the masses were being organized to study and implement Comrade Xiaoping's important talks during his tour of southern China, and there was a gratifying scene of vitality. He was extremely pleased by what he had seen. He said: Comrade Xiaoping's talks were made with a clear objective. The talks also reflect his consistent thinking. They are extremely important as a guide to building socialism with Chinese characteristics both at present and in the future. Take the question of keeping vigilance against rightist deviation while paying main attention to guarding against "leftist" deviation. We must keep vigilance against rightist deviation and on no account should we ignore it. However, guarding against "leftist" deviation is the main thing. "Leftist" deviation is not something abstract, but concrete and real. Unless we truly eliminate the influence of "leftist" deviation, we will not be able to unswervingly implement the party's basic line, nor will we be able to think clearly and work actively on the question of absorbing advanced science and technology and managerial experience of developed countries; using foreign capital; enlivening large- and medium-sized and village and township enterprises; and bring into play the role of the individual sector of the economy. Unless we further emancipate the mind and change our mentality, and unless we overcome the influence of "leftist" deviation, accelerating the pace of reform and opening to the outside world and speeding up economic construction may become empty words.

Wuxi county ranks top on the list of 15 counties in the nation with village and township industrial enterprises output value exceeding five billion yuan. Shengze Town in Wujiang County, the home of silk, is reputed to be "China's Top Town." Since the 1980's, in the course of making persistent efforts to accelerate economic construction, both Wuxi County and Shengze Town have done a good job in improving social order through comprehensive measures, and have never relaxed their attack on all kinds of criminal activity. As a result, the two have enjoyed economic prosperity and social stability. Qiao Shi spoke highly of this. He pointed out: In the course of developing the economy, we must stick to the principle of achieving both material civilization and cultural and ideological progress. To effectively implement this important guiding ideology, we must strengthen party construction and people's democratic dictatorship and raise the political and professional standards of the ranks of our political and judicial personnel. He hoped that responsible comrades of Wuxi County and Shengze Town would take Comrade Xiaoping's important talks as their guide and summarize well their experience in accelerating economic construction and improving social order through comprehensive measures. He said that their good experience in this area is also valuable to the rest of the country.

At Zhenjiang Huadong Tin Manufacturing Company, Ltd., Nanjing Radio Plant, Wuxi Washing Machine Plant, Qiao Shi was pleased to see advanced equipment and fine-quality products in the workshop and assembly

platform. He stressed: Accelerating technological transformation and raising product quality are important issues in making state-owned large- and medium-sized enterprises successful. We must make vigorous efforts in this respect and accelerate the pace as much as possible. During the inspection tour, Qiao Shi also went to Changzhou School for Deaf-Mutes, where he comforted the teachers and visited the pupils.

Shu Huaide, deputy secretary general of the Central Political and Legal Commission, accompanied Qiao Shi during his inspection tour.

Says To 'Emancipate' Minds

HK2306095392 Beijing ZHONGGUO XINWEN SHE
in Chinese 1324 GMT 21 Jun 92

[Report: "Qiao Shi Points Out That 'Leftism' Is Not Something Abstract, But Concrete and Realistic"]

[Text] Beijing, 21 Jun (ZHONGGUO XINWEN SHE)—When inspecting Jiangsu some days ago, Qiao Shi, member of the Standing Committee of the Political Bureau of the CPC Central Committee, pointed out: "Leftism" is not something abstract, but concrete and realistic.

He said: If we do not really eliminate the "leftist" influence, we will be unable to resolutely and unswervingly implement the CPC's basic line, nor will we be able to remain clear-headed and take positive action in absorbing the advanced science and technology and management experience of the developed countries, making use of foreign funds, enlivening large- and medium-sized enterprises, developing township and town enterprises, and giving play to the role of the individual economy. If we do not further emancipate our minds, change concepts, and pay attention to eliminating the "leftist" influence, accelerating the pace of reform, opening up, and economic construction may possibly become empty words.

According to a XINHUA report, Qiao Shi inspected Jiangsu's Suzhou, Wuxi, Changzhou, Zhenjiang, and Nanjing from 12 to 20 June.

During the inspection Qiao Shi emphasized that at present, cadres at all levels, especially leading cadres, must profoundly study Deng Xiaoping's recent important speeches and must study hard to gain an intimate knowledge and profound understanding of their spirit and essence, so they can become a powerful motive force in implementing the CPC's basic line, speeding up reform and opening up, and promoting the building of both material and spiritual civilizations.

Qiao Shi said: There was no mistaking what Deng Xiaoping's important speeches were aimed at. They also embodied his consistent thinking. They are of extremely important guiding significance to the practice of building socialism with distinctive Chinese characteristics at present and in the future.

CPPCC Standing Committee To Hold 20th Meeting

OW2306091392 Beijing Central People's Radio Network in Mandarin 1200 GMT 22 Jun 92

[From the "National Hookup" program]

[Text] The Standing Committee of the Seventh National Committee of the Chinese People's Political Consultative Conference will hold its 20th meeting in Beijing tomorrow. At the meeting, the Standing Committee will further study the essence of Comrade Deng Xiaoping's important speeches and of the meeting of the Political Bureau of the CPC Central Committee. It will also discuss ways to accelerate reform and open the country wider to the outside world.

Agenda To Amend Patent Law

OW2306091592 Beijing XINHUA in English 0854 GMT 23 Jun 92

[Text] Beijing, June 23 (XINHUA)—The top Chinese legislature opened its 26th meeting today to amend the country's existing Patent Law and decide its accession to the Berne Convention for the protection of literary and artistic works and to the Universal Copyright Convention.

The meeting, presided over by Wan Li, chairman of the Standing Committee of the National People's Congress (NPC), will hear reports on the examination results of the draft regulations on police ranks and the draft law on the management of taxation, both of which have already been discussed during the committee's previous meetings last year.

The NPC Law Committee said that the two drafts are basically feasible.

The meeting will consider authorizing the municipal people's congress and its standing committee and the municipal government of Shenzhen city to formulate laws and regulations of the Shenzhen Special Economic Zone.

Premier Li Peng also put forward to the meeting proposals for deliberating the draft maritime law and the draft amendment to the current Patent Law and approving the Berne Convention and Universal Copyright Convention, two of the most popular international laws for copyright protection.

Li Lanqing, minister of foreign economic relations and trade, Yang Jingyu, director of the Legislative Affairs Bureau under the State Council, Gao Luling, director of the State Patent Office, and Song Muwen, director of the State Copyright Bureau, gave explanations on those proposals to the meeting.

NPC Standing Committee Holds Work Forum**To Examine 'Legislative Planning'**

OW2006012292 Beijing XINHUA Domestic Service in Chinese 1034 GMT 19 Jun 92

[By reporters He Ping (0149 1627) and Zhang Sutang (1728 1372 1016)]

[Text] Beijing, 19 June (XINHUA)—The Standing Committee of the National People's Congress [NPC] this morning held a legislative work forum at the Great Hall of the People to examine how legislative planning drawn up by the NPC Standing Committee had been carried out, to hear reports by various law-drafting units on progress in legislative work, and to study ways to quicken the pace of legislative work, especially legislation of economic laws, in the new situation in order to accelerate the liberation and development of productive forces, ensure that reform and opening up will be carried out in an orderly manner, and more thoroughly carry out legislative work. Standing Committee Vice Chairmen Peng Chong, Chen Muhua, and Wang Hanbin attended the forum.

When China began to adopt the policy of reform and opening up, Comrade Deng Xiaoping pointed out that legislative work should be done as quickly as possible and should be improved step by step, that "some legislation is better than nothing, and doing it early is better than doing it late," and that "the legal system should be gradually refined in the process of implementation; we must not wait." Chairman Wan Li also attaches great importance to legislative work. He stressed on many occasions that we must press ahead with our legislative work and organize various forces to quicken the pace of the work. However, he also stressed that legislative work must not be done hastily.

China's socialist legal system with Chinese characteristics, which is based on the country's constitution, has basically been established after more than a decade's efforts that began after the Third Plenary Session of the 11th CPC Central Committee. The situation in which no applicable laws could be found to justify many things we do has basically come to an end. To accelerate the pace of economic development and to ensure that reform and opening up will be carried out smoothly, the NPC and its Standing Committee have enacted and promulgated 65 economic laws—more than 50 percent of the 117 laws they have enacted.

It has been learned that the following draft laws have been drawn up by various departments and are planned to be submitted to the Fourth NPC Standing Committee for examination within this year: maritime law, patent law (revised), law governing corporations with limited liability, law on the safety and sanitation of mining areas, survey law, anticorruption and antibribery law, law on the protection of the equal rights of scattered minority nationalities, product quality law, economic contract law (revised), personal income tax law (revised).

law on scientific and technological progress, food hygiene law (revised), statistics law (revised), law on supervising and reforming criminals, law on promoting agricultural technology, bank law, and trademark law (revised).

Today's forum was presided over by Cao Zhi, executive deputy secretary general of the NPC Standing Committee. At the forum, responsible comrades of the State Council's Bureau of Legislative Affairs, the People's Bank of China, and other departments separately made reports on the drafting of corporation law, bank law, and other laws. Attending the forum were responsible officials of all NPC special committees, all ministries and commissions of the State Council, the Supreme People's Procuratorate, and other units.

Drafts Shenzhen Legislative Powers

OW2306091992 Beijing XINHUA in English
0852 GMT 23 Jun 92

[Text] Beijing, June 23 (XINHUA)—Shenzhen, China's first special economic zone, is to be given legislative power.

A draft decision on this was submitted by the State Council for consideration to the Standing Committee of the National People's Congress (NPC), the country's top legislature, which opened its 26th meeting here today.

The draft proposes that the Shenzhen Municipal People's Congress and its standing committee should enjoy the right to make and implement rules and regulations for the special economic zone based on the zone's practical needs and in line with the basic principles of the country's constitution and laws.

The draft envisages similar rights for the Shenzhen Municipal People's Government.

It is believed that the decision, once passed, will be beneficial for speeding up the zone's construction and efforts to carry out the open policy and develop its socialist commodity economy.

CITIC Chairman Gives Views on Deng Remarks

HK230604292 Beijing ZHONGGUO XINWEN SHE
in English 1430 GMT 22 Jun 92

[Text] Beijing, June 22 (CNS)—An article titled "Be bold in reform and brave in making innovations" by Mr Rong Yiren in response to Mr Deng Xiaoping's speeches made during his visit to South China is published in today's overseas edition of the PEOPLE'S DAILY.

Mr Rong is the incumbent chairman of the board of China International Trust and Investment Corporation (CITIC), vice-chairman of the Standing Committee of the National People's Congress and president of the Federation of All-China Industry and Commerce.

Talking of "reform being another kind of action to liberate the productive forces," Mr Rong said that under

the current international environment where Mainland people are seeing their material and cultural demands growing increasingly, China, as a developing country, could not afford to develop its economy at a slow pace, nor even more so could it afford backwardness in its economic development.

Liberation of the mind, elimination of disruptions, smashing of taboo areas and courage in making changes are a must in the course of bold reform, Mr Rong said. He added that during the process of reform and openness, distractions by "leftists" as well as by "rightists" stood in the way with deep-seated obstruction by the "leftist" deviationists. Should such obstacles not be gotten rid of, they would hamper the mind and bind people's hands and feet, imposing a blockade on reform and openness and hampering the process of economic construction through delay. With persistent economic development in the world and dramatic change in science and technology, China has to be eager to make progress and speed up its development if possible. If not, it will have to tail along far behind other countries.

CITIC has since its inception in October, 1979, been employing international practices, removing bureaucratic obstruction, using for reference the effective practices employed by some developed capitalist countries in their economic development, undertaking international economic cooperation and exchange and introducing capital and technology to serve the construction of socialism. It issued bonds overseas, opened leasing business, engaged in international economic consultation service and exploited the real estate business, all of which represented a new try in smashing some taboo areas of the past. Such practices once were the object of doubt and criticism. Mr Rong said that if socialism is to triumph over capitalism when the two are compared, it will have to boldly absorb and draw lessons from all the civilized achievements ever made by the human race as well as from all the advanced operational modes and management practices which reflect modernization and socialization in respect to production rules and which are employed by various countries including the developed capitalist ones. By combining them with China's own national situation, the practices should be properly applied and innovations made to develop the social productive forces. This is the correct path China should take.

Peong Chong Addresses NPC Committees

OW1906123992 Beijing XINHUA in English
1221 GMT 19 Jun 92

[Text] Beijing, June 19 (XINHUA)—More than 100 executives of over 20 government administrations and special committees of the National People's Congress (NPC) met today to discuss accelerating the drafting of new laws, especially on economic affairs.

According to NPC plans, another 19 draft laws still await adoption by the NPC Standing Committee.

The proposed legislation covers maritime affairs, amended patent law, limited liability company, anti-corruption, equal rights for minorities who live scattered, product quality and banking.

Laws yet to be drafted mainly involve individual and private businesses and management of foreign-investment banks and bonds.

According to statistics, the NPC and its Standing Committee have adopted a total of 117 laws since 1979—65 of them dealing with economic affairs.

Peng Chong, vice-chairman of NPC Standing Committee, told today's meeting that China's law remains inadequate to meet the requirements of socialist construction and reforms and the policy of opening China to the outside world. The formulation of economic law still lags behind the economic situation.

He said that to increase the pace of drafting new laws, those responsible must refresh their minds and strengthen their sense of urgency to formulate more economic laws.

The vice chairman also mentioned such factors as mobilizing effort from all departments to speed up the drafting work, absorbing and learning from foreign experience, and the need for quality law.

Officials from six government administrations reported progress to the meeting on laws currently being drafted.

New Legislation To End Illegal Child Trade

HK2106035992 Hong Kong SOUTH CHINA SUNDAY MORNING POST in English 21 Jun 92 p 5

[By Peter Woolrich]

[Text] China has introduced new legislation to prevent middle-men cashing in on the desperate plight of its orphans, after the scandal was exposed by a Sunday Morning Post investigation.

The report revealed how Hong Kong businessmen were exploiting childless couples from the West by charging extortionate fees to arrange illegal adoptions.

The orphans for sale racket was made possible by corrupt officials accepting bribes of all expenses paid trips to the US in return for forged adoption papers.

The Post received a flood of inquiries from readers interested in legitimate adoptions after reading of the appalling conditions in which China's orphans are kept.

China has set up a centre to deal with the rise in applications by foreigners wanting to adopt Chinese children.

A Ministry of Civil Affairs Official said foreigners had adopted 30 children under 14—all of them girls—since April.

Most of the parents were from Canada, the US, Germany, Norway and The Netherlands.

The official said the authorities were streamlining the relevant procedures and warned prospective parents not to visit China unannounced.

"The government has to work out detailed adoption procedures involving overseas parties so that prospective parents living abroad can go through the formalities in a shorter time," he said.

The new law formalises the adoption process but it is still long and complicated.

Some parents have been stranded for several weeks on the mainland waiting for paperwork to be completed.

Under the law, prospective parents must register in person with the relevant provincial authorities and submit personal documents such as passports, travel permits, resident visas and adoption papers.

Some of these documents, declaring why they wish to adopt and their suitability as parents, must be processed by agencies in their own country before being confirmed by the Chinese.

Before April, foreigners—including Hong Kong, Macao and Taiwan citizens—were adopting about 2,000 Chinese children each year.

The law is aimed at stemming traffic in children, a problem in rural parts of China where thousands are kidnapped each year.

Most children in Chinese orphanages are girls. Under China's one child policy, couples prefer to have a son who will work in the fields and not marry into another family.

Part One of 'Confidential' Human Rights Document

HK2206062292 Hong Kong TANGTAI in Chinese No 15, 15 Jun 92 pp 67-70

[Report: "Confidential Document on Study of Human Rights Issue (Part One)"; first paragraph is TANGTAI editor's note]

[Text] In the wake of the 4 June incident, Wang Renzhi, director of the CPC Central Propaganda Department, set up a "Research Institute for Resisting Peaceful Evolution," which often submitted some ultraleftist policy proposals to the central leadership. Before Deng Xiaoping's southern inspection earlier this year, this research institute submitted a "research result" to the authorities, and the report was entitled, "Main Viewpoints and Methods Used by Western Countries To Attack Socialist Countries on the Human Rights Issue and the Countermeasures We Should Adopt." The report, which was several tens of thousands of characters in length, called on launching a counterattack on the Western countries on the issue of human rights. This document provides

some important information, which is hard to come by, for studying the CPC's approach to human rights. In order to enable our readers to know about the opinion of the ultraleftist faction in the CPC, we decided to publish the excerpts of the document in two installments.

I. Main Viewpoints in Attacks

First, the issue of human rights and the principle of noninterference in another country's internal affairs. China constantly holds that the United Nations should strictly abide by the principles of its charter in its activities in all fields and should not interfere in the internal affairs of its member states. The principle of noninterference in internal affairs, as a basic norm in international law, is applicable to all fields of international relations. Nobody can wilfully create any exception in certain fields. This is also the case on the issue of human rights.

The Western countries announced that Article 2, Section 7 of the UN Charter about noninterference in the internal affairs of member states was not applicable to the issue of human rights. They even asserted that "the care about human rights is not interference in a country's internal affairs" and that "the principle of noninterference in internal affairs is not applicable to the issue of human rights."

Second, the issue concerning the responsibility for protecting human rights. We hold that human rights must be guaranteed through domestic laws, and the responsibility for protecting human rights lies in the government of a sovereign state, whose function in this regard cannot be replaced by any other institutions. However, the Western countries hold that there exist no national boundaries on human rights, as all members states of the United Nations have voluntarily subjected themselves to the binding force of the UN Charter and will undertake the commitments of protecting and promoting human rights according to the UN Charter. Therefore, if there is any violation, other countries can express concern and discuss it, and this should not be regarded as interference in a country's internal affairs. However, the "violation of human rights" is something completely judged according to the political interests of the West.

Third, the issue concerning the criteria of human rights. We constantly hold that in today's world, there exist different political, economic, social, and legal systems; and the historical backgrounds, social habits, and ideologies in various countries are also different. Therefore, different opinions always exist on the definition and interpretation of the human rights concept. Various countries should completely have the right to formulate laws suited to their own national conditions which vary from one to another, and thus formulate their appropriate stipulations on the rights that their own people can enjoy and the restrictions that they are subject to. The Western countries refuse to recognize this fact. At the 44th UN General Assembly, the representatives of some Western countries asserted in their speeches that "there

should be no different interpretation of human rights," and they tried hard to stress their unified human rights criteria in an attempt to impose their own human rights concept and values on other countries.

Fourth, the relationship between rights and duties. We hold that human rights are neither an absolute and abstract concept nor a hollow slogan. Any specific right must be enjoyed by people under certain social conditions; while people's rights are protected by law, people should also be subject to law's restriction. This is a principle generally accepted by the international community. However, the Western countries repeatedly stress that human rights are something absolute, and no government can justify the action of violating human rights under the pretext of safeguarding national security or maintaining law and order. Certain rights, such as the right of life [sheng ming quan 3932 0730 2938] and the right of being free from cruel torture, can never be withheld or reduced at any circumstances.

Fifth, the issue concerning the key points of the United Nations' work in the realm of human rights. We hold that the United Nations should give priority to caring about the large-scale violations of human rights caused by racism, colonialism, hegemonism, racial discrimination and segregation, foreign aggression and occupation, because such things not only brutally trample upon the people's self-determination right and various human rights and freedoms, but also seriously threaten international peace and security. Without eliminating such phenomena, the universal fulfillment of human rights and basic freedom will just be empty talk.

Some Western countries not only show extreme indifference toward such large-scale violations of human rights and even shield and connive at such things. At international conferences, they often cast opposition or abstention votes to the resolutions and motions that the Third World countries put forth to condemn the violations of human rights in South Africa or Israel. This shows that they in fact have no interest in whether the people can really enjoy various human rights and basic freedoms; instead, proceeding from certain political motives, they adopt double standards on the issue of human rights.

Sixth, the issue concerning relations between various human rights issues. We hold that human rights not only include individual rights but also include collective rights and the rights of the state. The universal fulfillment of human rights and basic freedoms means that in addition to that the entire people enjoy extensive democratic rights and freedoms; their living standards are raised and improved; and comprehensive economic, social, cultural, educational, public health and social welfare development of the whole country and the whole nation as well as social justice are fully effected. Various human rights issues promote each other and depend on each other, and they are inseparable. The Western countries lay lopsided stress on citizens' political rights and belittle their economic, social, and cultural rights; give prominence to the human rights of individuals and

ignore the human rights of collectives; and stress that the human rights and basic freedoms of individuals cannot be left without protection because of poverty.

Seventh, the issue concerning relations between human rights and the state. Our country constantly holds that state-to-state relations should be established on the basis of the five principles of peaceful coexistence. Countries should respect each other in their exchanges, without interfering in each other's internal affairs. However, the Western countries repeatedly stress that whether the government of a country respects human rights or not is an important factor for whether normal state-to-state relations can be maintained. This is in fact aimed at exerting pressure on another country and forcing another country to accept their criteria and values.

Eighth, the issue concerning self-determination. We hold that self-determination refers to the right of the people in the countries suffering foreign aggression and occupation to win independence and liberation; and the right of the people in various sovereign states to freely select their own political and economic systems and to develop their economies and social and cultural rights. However, the Western countries distort the meaning of self-determination. They advertise Western-style "democracy" and "free election" systems, and take whether "regular free elections" are held as a yardstick for judging the realization of self-determination. They also hold that the beneficiary of self-determination should not be the state or the government but should be the people.

Ninth, the issue concerning the right of development. We hold that the so-called development refers to the right of the people in various countries to seek the comprehensive development in the economic, social, cultural, educational, public health, and social welfare fields and the realization of social justice. The "Development Right Declaration" adopted by the 41st UN General Assembly on 4 December 1986 officially affirms that "the right of development is an inalienable human right," and also explicitly announces that "by virtue of this right, every person and the people in all countries have the right to participate in, promote, and enjoy economic, social, cultural, and political development, and fully realize all human rights and basic freedoms in the course of such development." That is to say, the right of development is the comprehensive expression of citizens' political, economic, social, and cultural rights and rather is the collective right of the state and the nation. It is not the right of individuals. However, some Western countries refuse to consider the right of development as a concept of right. They hold that development is not a right but an "opportunity," and what matters is the so-called individual freedom and the development of free economies. Some countries even try to include theories about the so-called free elections and private enterprise in the issue concerning the right of development. This has encountered the resolute opposition and resistance from the developing countries.

II. Main Means of Attacks

The Western countries headed by the United States are pursuing the human rights diplomacy and are applying pressure on the socialist countries in order to bring about changes there. They are doing this by various means and through various channels. The main means used by them are as follows:

First, they put "human rights diplomacy" in a major position of their foreign policy. Since the mid-1970's, along with the gradual appearance of a relaxed situation in international relations, the world has entered a period of peaceful development. In view of such changes in the world situation, the ruling class of the United States recognized that in order to fulfill their political ambition of dominating the world, it would be very difficult to merely rely on the military force to carry out armed aggression, and they had to change their tactics in the foreign policy in order to meet the needs of the global strategy. Therefore, beginning from the Carter administration, the United States decided to take the human rights issue as an important component part of the foreign policy and as a principle of U.S. foreign policy (as Carter said). After Reagan took office, he carried forward this policy of the Carter administration. Reagan said: "The policy of the United States is to continue to take such concern over human rights as the moral core of our foreign policy." After Bush took office, he further strengthened this policy, as he said: "The goal of human rights should be always borne in mind." These facts showed that since the Carter administration, the U.S. Government has always set great store by the issue of human rights and has taken it as a major component part of U.S. foreign policy. Thus, "human rights diplomacy" is being consistently pursued.

Second, the issue of human rights is extended to all realms of international relations. For the sake of its global interests, the U.S. Government not only attaches importance to East-West relations but also pays attention to North-South relations. In the course of handling various relations, it always uses "human rights" as an excuse to infringe upon and violate the interests of other nations. For example, after Bush took office, he not only tried to deal with the so-called human rights issues in specific countries, but also tried to use the human rights issue to deal with East-West relations and to coordinate relations between various big powers in order to set up an international order in which the Western countries headed by the United States is the main body. This was evidenced by its rude interference in China's suppression of the revolt.

Third, whether or not the issue of human rights is in line with the United States' "human rights standards" is taken as an important condition for deciding foreign assistance. In the course of pursuing human rights diplomacy, the U.S. Government links politics with economic affairs and conducts exchange of interests. Whoever wants to get economic assistance from the United States must "improve" the human rights conditions of his own

country according to the "human rights standards" of the United States, and must accept the political position of the United States. Otherwise, no economic aid will be given, and the existing economic aid will also be stopped. Since 1981, each year, the U.S. Department of State has submitted an annual report about the human rights conditions in various countries. This practice has never been suspended, and the reports are taken as major conditions and grounds for deciding foreign assistance. Countries being examined include member countries of the United Nations and countries which are receiving assistance from the United States. Countries which are regarded as "violating" human rights used to be treated in different ways. Moreover, in different periods, the approaches vary according to the changes in the international situation, and the U.S. policy stresses different aspects. Sometimes, it is mainly directed at a certain region; and sometimes, it is specially directed at a certain country. During the Carter administration, the policy was mainly aimed at some Latin American countries which did not obey the United States' orders or kept anti-American sentiments. Reagan mainly aimed the policy at the Soviet Union and East European countries. After changes occurred in East Europe and in the Soviet Union, Bush mainly directed the spearhead at China.

Fourth, the U.S. Government adopts double standards on the issue of human rights. In the course of pursuing the human rights diplomacy, for the sake of its own interests, the U.S. Government adopts double standards for human rights. For example, it adopts different standards for different countries; or adopts different standards for the same country in different historical periods; and adopts different standards for the domestic human rights issues and for the human rights issues in other countries. In short, its human rights standards are completely pragmatic.

Fifth, it flagrantly garbles, misrepresents, and violates international human rights for its own purposes. This is mainly reflected in the facts that they give wide publicity to some international treaties in line with the hopes of the United States through misrepresenting the contents of these treaties; and keep silent about the international treaties which are out of keeping with the hopes of the United States or even openly oppose these treaties. So far, for example, the United States still refuses to sign two important international human rights covenants, namely, the International Covenant on Economic, Social, and Cultural Rights and the International Covenant on Civil and Political Rights on the grounds that human rights in nature fall within the domestic jurisdiction of the United States and that some provisions of these two covenants are out of keeping of the U.S. laws. This shows that they also deal with human rights according to their own domestic laws.

Sixth, they take advantage of the opportunities of various international meetings to pursue the "human rights diplomacy" policy. For example, the G-7 summit meeting of the Western countries has been held every year since 1975. Since 1984, the United States has taken

this meeting as an important arena for pursuing human rights diplomacy in the world. The meeting which was originally aimed at discussing the world economy was changed into an important meeting for discussing world political issues. In 1989, the G-7 summit meeting denounced our country for the suppression of the revolt and the turmoil. The United States prompted other Western countries to impose sanctions against our country by claiming that "we vow to resolutely safeguard the international human rights norms."

Seventh, they use the "human rights issue" to make ideological infiltration in an attempt to make a breach of peaceful evolution in the socialist countries. In a recent period, the Western countries have been trying hard to effect ideological infiltration through the human rights issue. Under the pretext that human rights problems exist in socialist countries, they create public opinion to encourage and support bourgeois liberalization and "dissidents" inside the socialist countries. This was evidenced by the behavior of the United States and other Western countries in supporting the so-called "pro-democracy activists" in our country.

Eighth, they used their strength to forcefully pursue the "human rights diplomacy" policy. As compared with other Western countries, the United States has stronger economic and military strength. The U.S. Government uses such strength to forcefully pursue the human rights diplomacy policy. For example, in recent years, the U.S. Government has been continuously exerting economic pressure on our country by taking the human rights issue as a pretext. Since 1987, it has adopted vary means to impose economic sanctions against China under the pretext of the Tibetan issue many times and the suppression of revolt on 4 June 1989. This year, it has again applied pressure on our country on the issue of the most-favored- nation trade status. U.S. Senator Simon [xi meng 6007 5536] even said flagrantly: "Regarding the most-favored-nation issue, the most important factor is human rights rather than U.S. dollars."

Ninth, they used religion to create and intensify nationality contradictions and "human rights" problems, thus attacking the socialist countries. In 1982, the Reagan administration called on "mobilizing all mass organizations that can be used, including religious organizations, to take part in the peaceful anticommunist offensive." Since 1970, all U.S. presidents have met with the pope many times. Since 1987, the U.S. Government has connived at and supported the activities of separatists living abroad to stir up trouble on the Tibet issue, and then it exerted pressure on our country again and again in the name of so-called "protecting human rights in Tibet." On 16 April 1991, U.S. President Bush changed the practice of his predecessor of evading the Dalai Lama when he carried out activities in the United States, and met with the Dalai Lama in his private residence. On 17 April, the human rights organization of the United States gave a medal to the Dalai Lama in an attempt to split up China.

III. Countermeasures That We Should Adopt

First, we should have a clear-cut attitude. At present, all progressive people throughout the world pin their hopes on us. Before Kaganovich died, he was concerned about changes in the world and said: "I am distressed about the evolution of East Europe and also worried about the changes in the Soviet Union. At present, I am only pleased to see what is going on in China, as it is upholding socialism with great strength. However, nobody knows what will happen in China in the future!" The central leaders in our country said: If peaceful evolution also occurs in China, the history of the international communist movement and human history as a whole will go backward at least 100 years. Therefore, it is our unshirkable duty to hold high the banner of human rights to fight. We should hide our capacities and bide our time, but we must also accomplish something and dare to shoulder the responsibility. The two sides do not contradict each other.

Second, we should carry out theoretical research under the guidance of Marxism.

Theoretical research must be subject to the guidance of Marxism. We should criticize the viewpoint which hold that Marxism is out-of-date and useless. The study of the human rights issue cannot be depolitized or be taken as a nonideological issue. People who advocate bourgeois liberalization call for dissociating this issue from politics and ideology, and their aim is to "strive for a political space under the rule of Marxism." What they want to "repudiate" is nothing else but Marxism.

Third, it is necessary to meet the needs in the struggle in reality. This point is closely linked with the previous point, and they are the two sides of the same coin. Theoretical study of human rights should not be a pure academic issue; otherwise, the orientation of the theoretical study will be incorrect.

Fourth, we should do a good job in making investigations. In order to achieve satisfactory research results, the Central Propaganda Department organized some units in the capital to compile some written materials about the human rights issue. They will be published successively by the People's Publishing House in the first half of this year. The collection will include nine books: 1) authors of Marxist classics on human rights; 2) the summing-up of bourgeois human rights theories in the West; 3) the summing-up of the viewpoint of democratic socialism on human rights; 4) the Western human rights diplomacy's attacks on the socialist system; 5) the viewpoint of bourgeois liberalization on human rights; 6) our country's human rights legislation and achievements in developing human rights; 7) the human rights theories in the third world; 8) the human rights position of the Western countries; and 9) the collection of international documents on human rights.

Fifth, we should organize coordinated action with the participation of various branches of learning and various departments and organizations. Nie Dajiang, deputy

director of the Central Propaganda Department, said: It is necessary to organize the contingent and coordinate the theoretical research. By coordinating the operation, we can avoid duplicated work. Various departments and institutions can give play to their specific advantages and focus their work on specific areas through the division of work so they can bring their strong points into play and overcome their weak points. In short, it is necessary to properly organize the force in the struggle. In the coordinated action, it is also necessary to carefully check the contents of propaganda in order that no handle will be seized by the opposite side against us. The United States's Asian observation outpost [guan cha shao 6034 1390 0783] in Hong Kong is particularly aimed at gathering the information on our side. For example, not long ago, the State Education Commission held an experience exchange meeting in Wenzhou about the work of organizing work-study programs in primary and secondary schools, and the report about the meeting said that product quality had reached export standards. This was seized by the United States as a way to accuse us of using child labor. In addition, the issue of exporting products made by prison labor was also seized by them as a way to attack us. Therefore, we must be very careful in our propaganda.

Military

Defense College Students Visit Revolutionary Base

OW1706105292 Beijing XINHUA Domestic Service
in Chinese 1338 GMT 16 June 92

[By XINHUA reporter Liu Huinan (0491 0932 1628) and RENMIN RIBAO reporter Yu Qingchu (0151 3237 2806)]

[Text] Nanchang, 16 June (XINHUA)—Before the 71st anniversary of the founding of the party and the 65th anniversary of the founding of the army, over 200 officer-students from the National Defense University, led by commandant and Political Commissar General Zhang Zhen, visited Nanchang—the birthplace of the People's Army—and the Jinggangshan revolutionary base area to gain on-site instruction on the history of the party and the army and to receive education in the revolutionary tradition. Their visit was also intended to gain information on the old liberated area's new achievements in reform and opening up. Through lively and practical study, the students learned things that could not have been gained from textbooks. They resolved to spread the Jinggangshan spirit, inherit traditions, bolster their convictions, and make fresh contributions toward protecting reform and openness.

Most of the 200-plus students sent on the field trip by the National Defense University were young, outstanding commanders of senior and middle rank. They were selected from all branches of the armed forces. Some were graduate students who were training as senior researchers. Veteran General Zhang Zhen told reporters: These students are in the prime of their lives. They are

cross-century cadres. We have brought them to the birthplace of the People's Liberation Army [PLA] to give them on-site instruction and to educate them on revolutionary traditions. This will help them understand that the Jinggangshan spirit and a spirit of waging arduous struggles, making sacrifices readily, and boldly forging ahead and opening up new paths are necessary for today's program of reform and openness. We must continue the great cause pioneered by proletarian revolutionaries of the older generation and ensure that the party's basic line will remain unchanged for a century.

From 9 to 15 June, the students visited the 1 August Nanchang Uprising Memorial Hall, the Jinggangshan Revolutionary Museum, Huangyangjie, and four other major outposts, old revolutionary sites in Maoping, the memorial hall marking the joining of revolutionary forces at Ninggang in the Jinggangshan revolutionary base area, the site in Sanwan where revolutionary troops were reorganized, and the former residence of Comrade Mao Zedong. They toured those sites to conduct studies, to cherish the memory of revolutionary martyrs, and to recall revolutionary tradition. Wherever they went, they listened closely to briefings, took notes assiduously, and were lost in thought about past events. They were profoundly moved by the revolutionary spirit of Mao Zedong and revolutionaries of the older generation in proceeding from China's reality to break the path of revolution as well as that of revolutionary martyrs in waging arduous struggles and readily making sacrifices.

The students linked theory with practice and held discussions as they conducted their studies. They came to fully understand the fact that the victory for which countless revolutionary martyrs had sacrificed their lives had not been achieved easily. They also gained an intimate knowledge of the important significance of the party's absolute leadership over the army, the need for hard work, equality between officers and men, and unity among the army, the government, and the people. In particular, they improved their understanding of the need to proceed from reality in all matters and to pursue the course of socialism with Chinese characteristics during the new historical period. They said: The glorious thought initiated by Comrade Mao Zedong regarding the seizure of political power across the country through the strategy of encircling cities from the countryside embodies the spirit of proceeding from reality, opposing dogmatism, and adapting Marxism to China's reality. Comrade Xiaoping's current call for expediting reform and openness and for building socialism with Chinese characteristics is also an example of proceeding from reality and seeking truth from facts. In studying the history of the party and the army, we should display the spirit of proceeding from reality in all matters and steadfastly implement the party's basic line.

The officers visited factories, villages, and local people in the Jiangxi old liberated area. Although the revolutionary base area is economically underdeveloped, the

people there have made notable achievements and substantially improved their living standards by emancipating their minds and by actively promoting reform and openness. Upon witnessing such changes, the officers deeply felt the need for China and the old liberated area to pin their hopes on reform. They signaled a desire to bear the heavy historical responsibility of protecting reform and to render new meritorious services for China's rejuvenation and the realization of the four modernizations.

The comrades who went to Jiangxi for on-site instruction were greeted with exclamations of "Our beloved liberation army, the people in the old liberated area welcome you!" Wherever they went, they stirred up moving scenes that illustrated the army's close relationship with the people. People in the old liberated area welcomed them in the same way as they had greeted the Red Army. Their strong affection for the PLA was deeply etched in the officers' hearts.

Air Force Strengthens Political Construction

HK1706134092 Beijing RENMIN RIBAO in Chinese
14 Jun 92 p 3

[Report by XINHUA reporter Sun Maoqing (1327 5399 1987): "Air Force Units Strengthen Political Construction"]

[Text] Units of the Air Force are following the important instructions of the Central Military Commission and continuously strengthening political construction among the troops under the new situation of reform and opening. At present, from top to bottom, an atmosphere of earnestly studying theory has basically taken shape in the Air Force, and the ideological and political level of cadres at various levels has been raised to a new high. Through political education, the party's basic line and the reform and opening policy have taken root in the minds of Air Force personnel. In the last few years, various units of the Air Force have sent nearly 10,000 leading cadres at and above the regimental level to give lectures on the current situation in order to pertinently solve various "common problems," "doubts," and "difficult questions" in the minds of officers and servicemen with regard to reform and opening. Many units also set up second classrooms in the special economic zones and economic opening zones where they were stationed or in the military-civilian civilization construction centers [jun min gong jian dian 6511 3046 0364 1696 7820].

Since 1988, 400 outstanding grass-roots officers have been commended by the leading organ of the Air Force; and the Central Military Commission and the Air Force have conferred glorious titles on 10 grass-roots units and 14 individuals. In the Air Force, there is a new situation in which all, from top to bottom, are exerting themselves and vying with each other to make progress.

The Air Force's strengthening of its political construction has played a major role in guaranteeing reform and construction in the Air Force, comprehensively raising its combat effectiveness, and successively fulfilling its

tasks in all fields. The increasing number of A-class combat regiments and all-weather pilots marks the growing fighting capacity of the Air Force, and they have created the best all-time performance record. More than 4,000 grass-roots units in the Air Force have attained the grass-roots construction standards.

Navy Expands Maritime Shipping Service

*HK1606002992 Beijing JIEFANGJUN BAO in Chinese
2 Jun 92 p 1*

[By staff reporter Hu Chunhua (5170 2504 5478); "Navy's Effort To Develop Maritime Shipping Service Has Broad Prospects"]

[Text] A few years ago, the Navy quietly began to develop its maritime shipping service amid the surging tide of reform; now, the Navy is expanding such service to a broader scope by taking advantage of the favorable situation of reform. Not long ago, the state department concerned officially approved the operation of the Navy's transportation fleet, which then became a new force in our country's maritime shipping industry. It will join hands with other institutions in developing our country's maritime shipping industry, and will display its prowess.

In the early 1980s, some naval units repaired and re-equipped some old ships that were out of commission, and used them to transport goods. In a short period of several years, with the support of some departments concerned, the fleet grew rapidly from the original size of two or three ships with a total tonnage of some 10,000 tonnes into more than 20 ships with a total tonnage of over 100,000 tonnes. It demonstrated strong vitality. The leading Navy organ deeply cared about this new thing appearing in the course of reform and opening up. It scientifically conducted feasibility studies with the state departments concerned. Finally, they agreed that as the transportation fleet did not require state investment, did not affect routine military training and war preparations, and was able to carry out transportation tasks for both civilian and military units, its operation was conducive to the state, the Army, and the people and gave expression to the naval units' foresight. Therefore, they adopted various measures to support the transportation fleet's operation and to help it develop healthily and harmoniously under the precondition of not violating the state's relevant policies. So far, the fleet has developed into an maritime shipping force of considerable size as is composed of different types of vessels, including oil tankers and cargo ships.

This reporter was told by a responsible official in the department concerned that the running of such a transportation fleet was an unexpected gain in several years of exploration, and this move was "a stone that killed three birds." First, it mitigated the state's shortage of transportation facilities. Since the transportation fleet's setup, it has undertaken urgent transportation tasks for civilian institutions several times and has helped civilian units

whose transportation needs were not included in the state's economic plan. Thus, the Navy's transportation fleet has played a major stopgap role. In particular, they always fulfill the tasks of transporting materials urgently needed in economic construction at the request of civilian units in the coastal areas, and the tasks are always fulfilled on time and in good quality. This has played a positive role in promoting economic development in the coastal areas.

The transportation fleet also enables the Navy to keep a large number of technical personnel. At present, nearly 50 percent of the crews are demobilized cadres and servicemen. The transportation fleet not only solves the issue of their job placement, but also effectively strengthens the reserve force on the sea. As some naval veterans said, if necessary, the fleet can be commissioned again after a short training period to carry out military missions. Some authorities concerned also told this reporter that after the fleet is further perfected, naval officers and servicemen will be sent in a well-planned and orderly way to get familiar with the relevant sea areas. Thus, the transportation fleet will become a mobile training base on the sea.

At the same time, the transportation fleet also provides economic support for the Navy. At present, marine transportation has become a major pillar of the Navy's production. According to incomplete statistics, so far, the fleet has reaped more than 50 million yuan of profits, and this has made up for the insufficiency of the military expenses to a certain degree.

Tibet Bodies Commanded for Personnel Improvements

OW2106105192 Beijing XINHUA Domestic Service in Chinese 0259 GMT 21 Jun 92

[By reporter Li Shiyuan (2621 4258 0337) and correspondent Li Tongbin 2621 6639 2430]

[Text] Lhasa, 21 June (XINHUA)—Leading organs at all levels in the Tibet Military District have been commended by the relevant PLA general department for reducing excess personnel, canceling non-permanent units, and paying attention to the construction of grass-roots units.

According to statistics, a total of 1,137 soldiers in excess of the establishment figure has been transferred by the Tibet Military District to grassroots units or to border units as regular personnel, 14 non-permanent units and 38 extra canteens have been canceled, and 885 volunteer soldiers transferred to positions suitable to their specialties.

The Tibet Military District has a difficult job because it has long border patrol lines situated in a difficult working environment. Some units did not follow regular personnel regulations in the past. They hired excess personnel and established temporary organs. As a result, their organizations were overstuffed and marred by a bad work style which seriously affected the troops' training and performance of duty. At the beginning of this year,

the party committee of the military district held a special meeting and resolved to tackle these problems. The leading organs of the military district adhered to the principle of reducing redundant personnel by taking the lead and transferring 88 public functionaries, microwave communications operators, drivers, warehouse keepers, and cooks to border units. Sergeants and volunteer soldiers whose positions were not compatible with their specialties were transferred to suitable ones. To ensure the results were consolidated, the military district also formulated personnel management measures.

Anniversary of Mao's Militia Instructions Observed

Liaoning Militia, Reserve Work Forum

SK1806130892 Shenyang Liaoning People's Radio Network in Mandarin 1030 GMT 17 Jun 92

[Excerpts] The Liaoning Province meeting to commemorate the 30th anniversary of the issuance of Comrade Mao Zedong's instruction on putting the work of the people's militia on three solid footings ended in Dalian on 17 June. [passage omitted]

Since Comrade Mao Zedong issued the instruction on putting militia work on a solid footing organizationally, politically, and militarily 30 years ago, the province's militia and reserve service work has been developed and strengthened constantly. Now the province has given rise to a pattern of [words indistinct]. The vast number of militiamen and reserve service personnel has experienced continuous improvement in their political and ideological expertise, and their military training has embarked on the path of standardization and regularization, thus becoming an important and essential force in the province in carrying out the socialist modernization drive.

At the commemoration meeting, Sun Qi, deputy secretary of the provincial party committee, pointed out: All localities should correctly handle the relations between economic construction and national defense construction from the high plane of upholding the party's basic line; should strive to keep abreast of the new situation of reform and opening up; and should strengthen and improve the quality of the militia and reserve service forces in the practice of building spiritual and material civilizations. At the same time, by taking full advantage of the militia and reserve service forces' characteristics of being well organized and highly disciplined and a rapid response group, all localities should organize the militia and reserve service forces to maintain social order, to deal with emergencies and disasters and provide relief, and to complete difficult and dangerous tasks to make contributions to the state and the people.

Cong Zhenglong, vice governor of the province; Ai Weiren, deputy political commissar of the Shenyang Military Region; Xiang Jingyuan, commander of the provincial military district; and Ma Shenglin, political commissar of the provincial Military District, attended the meeting and made speeches.

Participants viewed the Dalian Militia's display of military skills and summarized and exchanged the experiences in building the grass-roots units of the militia.

Liaoning Commentary on Militia Work

SK1806102792 Shenyang Liaoning People's Radio Network in Mandarin 1030 GMT 17 Jun 92

[Short commentary: "Successfully Doing Militia Work by Centering on Economic Construction"]

[Text] China's reform and opening up is developing in range and quality. This new situation has set a new task and an even higher demand on the building of the national defense reserve force. The new task and demand are: Militia work must be subordinated and geared to the central task of economic construction. Economic construction is also the center of the work of the whole party. Submitting to the overall situation of the country's economic construction and meeting the demand of the national defense construction are the sole correct guiding ideology for the militia and reserve service work during the new stage. Submitting to the overall situation of the country's economic construction is the demand of implementing the party's basic line as well as the prerequisite for strengthening the building of the national defense reserve force. Not only local party committees and governments but also the comrades of military departments should thoroughly comprehend and implement this guiding ideology and persist in the central task of economic construction. Because Liaoning Province has many large and medium-sized cities and enterprises, it should, in diverse ways, educate and guide the vast numbers of militiamen and the reserve duty personnel to further emancipate their minds, enhance their sense of reform and opening up, and successfully do militia work closely around the work of changing enterprises' operational mechanism and improving economic efficiency. The rural areas should organize militiamen and reserve duty personnel to take an active part in [words indistinct] and to conduct the socialized service activity with focus on invigorating agriculture through scientific and technological means in order to make new contributions to the province's economic construction.

Hainan Secretary Addresses Forum

HK1806041692 Haikou Hainan People's Radio Network in Mandarin 2300 GMT 15 Jun 92

[Text] A provincial grassroots militia work conference was solemnly inaugurated in Haikou yesterday morning.

The conference was held to observe the 30th anniversary of the publication of the late Chairman Mao Zedong's three-implementation instruction on militia work.

The conference was presided over by Xiao Xuchu, provincial party committee standing committee member and provincial military district commander.

Chen Suhou, provincial vice governor and provincial armed forces commission director, delivered an opening speech.

Deng Hongxun, provincial party committee secretary and provincial military district party committee first secretary, delivered an important speech.

Provincial military district leaders, including Gong Pingqiu, Deng Hanmin, Zhang Deren, Zhou Chuantong, and Zhou Jifa, a number of provincial armed forces commission members, as well as persons in charge of various provincial party committee and government departments concerned attended the conference.

On 19 June, 1962, the late Comrade Mao Zedong issued an instruction calling for organizationally, politically, and militarily implementing militia work [three-implementation instruction]. Over the past 30 years, party committees, governments, and armed forces work departments at all levels across the province have conscientiously implemented and carried out the late Chairman Mao Zedong's three-implementation instruction as well as a series of principles and policies formulated by the CPC Central Committee, the State Council, and the Central Military Commission of building a competent national defense reserve force. As a result, Hainan has streamlined its militia organization, significantly enhanced combat effectiveness of its militia forces, and continually improved political quality of its militia forces. The broad masses of militiamen at the grassroots level in Hainan have actively carried out activities of bringing about prosperity to Hainan Island and strengthening Hainan's border defense with an eye on building and defending the Hainan Special Economic Region. They have also taken the lead in building key farmland capital construction and water conservancy works, bravely participated in the work of rushing to deal with emergencies and disasters, successfully fulfilled many tasks, overcome unimaginable difficulties, and contributed enormously to Hainan's economic development and social stability.

In his speech, Secretary Deng Hongxun stated: Hainan is an old liberated revolutionary area with a glorious armed forces work tradition. In the long period of revolutionary struggles, the people and the Army in Hainan fought shoulder to shoulder and made joint efforts in continuing armed struggles for 23 years running. In the socialist construction period, the people and the troops stationed in Hainan again joined hands in promoting local construction, thus adding a new chapter of bringing about prosperity to Hainan and strengthening Hainan's border defense. Since Hainan was turned into a province and became a special economic region, party committees, governments, and armed forces work departments at all levels across the province have conscientiously stepped up militia reserve force building and brought into full play the backbone role of militia reserve force personnel in the two civilizations building of the special economic region under a new situation and have thereby maintained stability in and promoted development of

the Hainan Special Economic Region. Under a new situation marked by expedited reform and expanded opening up, Deng stressed, the militia work should be strengthened rather than weakened.

In the end, Deng Honxun emphatically pointed out: Party committees, governments, and armed forces work departments at all levels must mobilize the broad masses of armed forces cadres and militiamen to grasp current excellent opportunities, vigorously open up more vistas, and push provincewide national defense reserve force building onto a new stage so as to contribute more to the maintenance of social stability as well as the realization of an unusually rapid economic growth in the Hainan Special Economic Region.

Guangxi Secretary Speaks to Troops

HK1706091892 Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 15 Jun 92

[Excerpts] On the morning of 15 June, the regional authorities held a grand regional militia reserve troops review in Nanning to solemnly commemorate the 30th anniversary of the publication of the late Comrade Mao Zedong's three-implementation instruction on militia work.

Regional party, government, and military leaders, including Zhao Fulin, Cheng Kejie, Liu Mingzu, Ding Tingmo, Wang Ruguang, Gan Ku, Chen Huiguang, Ren Caiqing, and Zhang Guochu, as well as leaders in charge of various regional and city departments, commissions, and offices attended the grand militia reserve troops review ceremony. [passage omitted]

Regional party committee Secretary Zhao Fulin, regional people's government Chairman Cheng Kejie, regional military district Commander Wen Guoqing, and Zhang Guochu, regional military district political commissar, reviewed the participating troops by car.

Wen Guoqing, commander of the Guangxi Regional Military District, delivered a speech at the militia reserve troops review ceremony in which he called for further strengthening and improving regional militia reserve force work in light of the actual regional conditions, in accordance with the late Comrade Mao Zedong's three-implementation instruction on militia work, and under the leadership of the CPC Central Committee and the Central Military Commission with Comrade Jiang Zemin as the core in order to more effectively escort reform, opening up, and economic construction. [passage omitted]

Regional party committee Secretary Zhao Fulin also delivered a speech at the militia reserve troops review ceremony.

After briefly expounding on the relations between militia reserve force work and economic work, Zhao Fulin emphatically pointed out: We must continue to carry forward the fine tradition of the party controlling and managing the Armed Forces. Party committees and

governments at all levels across the region must show concern and support for militia reserve force work, see to it that all the principles and policies formulated by the CPC Central Committee, the State Council, and the Central Military Commission on stepping up in-depth militia reserve force building are implemented to the letter, gear militia reserve force work to the overall national economic construction development, provide efficient services to national defense building work, and assist militia reserve troops in their self-development and self-perfection. The party and government leaders at all levels across the region must show constant concern for militia reserve force work, help militia reserve troops solve problems and overcome difficulties in work and livelihood, and help guarantee smooth progress for militia reserve force work. On the other hand, the broad masses of militia reserve force personnel must conscientiously and consciously play a backbone role in production development, play a leading role in spiritual civilization building, act as a shock brigade when rushing to deal with emergencies and disasters, and act as a guard force in safeguarding and maintaining social stability and order. [passage omitted]

The grand regional militia reserve troops review fully displayed the achievements scored by Guangxi in implementing the late Comrade Mao Zedong's three-implementation instruction on militia work as well as in strengthening militia reserve force building over the past 30 years. [passage omitted]

Chengdu Commander Inspects Training Program
OW2106045292 Chengdu Sichuan Television Network in Mandarin 1145 GMT 20 Jun 92

[From the "Sichuan News" program]

[Text] The Chengdu Military Region has improved its regular management work by tightening discipline and selecting typical examples among subordinate organs and individual soldiers, thus promoting army building as a whole. Leaders and the Party Committee of the military region have consistently attached importance to management work. Commander Li Jiulong has repeatedly visited units and military organs to inspect discipline and military training. About 180 leaders at and above the divisional level in the military region have gone to basic units to improve management work. This has created a situation in which party committees and commanding officers are attaching great importance to management work. [video shows long distance shot of soldiers from a ground unit taking part in drills, cuts to soldiers marching past a reviewing stand carrying rifles and machine-guns, then shows artillery and anti-aircraft gun drill]

Since the beginning of this year, the military region has conscientiously organized office cadres and soldiers to attend training classes for the study of regulations. As a result, they have enhanced their understanding of the regulations and their consciousness in implementing

them. During the two drills and three examinations on regulations organized by the military region, the discipline qualification rate of the soldiers exceeded 94 percent, setting an example for the entire army.

Economic & Agricultural

Zhu Rongji Urges Processing Industry Control
HK2206014092 Hong Kong CHING-CHI TAO-PAO in Chinese No 23, 15 Jun 92 p 11

[“China Economic News” article: “Stronger Macroeconomic Regulation, Control Over Processing Industry Urged”]

[Text] Vice Premier Zhu Rongji recently pointed out the need to strengthen macroeconomic regulation and control over the processing industry and to guarantee key projects. He said: At present, processing industry enterprises account for over 75 percent of China's industrial enterprises. Of these enterprises, those in light industry account for 5 percent [as published], and those in the machine-building industry account for 25 percent. However, if such enterprises are set up extensively, it will be hard for them to accomplish anything. Therefore, restructuring the processing industry is an important aspect of the efforts to improve large and medium-size enterprises.

Zhu Rongji required that all industrial ministries consider their restructuring by means of improving their planning methods. First, they should strengthen macroeconomic regulation and control; and second, they should guarantee the completion of key projects. No money or interest-free loans should be granted to projects that cause duplicated construction. It is also necessary to list the products whose production capacity is now greater than the need so that various provinces and municipalities can be aware of this easily. In addition, it is necessary to guarantee the completion of key projects. Losses may be incurred if investment is made too extensively.

Jiujiang City Prepares To Lead Regional Opening
HK2106040892 Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT) in English 21-27 Jun 92 pp 1,3

[By Zhang Yu'an: “New Open City Has a Few Tricks Up Its Sleeve”, third article in a series on Chinese cities and regions that the government plans to open up for the first time]

[Text] Jiujiang, a small and unassuming city in Jiangxi Province, has big plans to teach other open cities a thing or two about economic development.

Following its decision to open several border cities in the Xinjiang Uygur Autonomous Region, the State Council announced last Monday [15 June] a further opening of

seven Southwestern cities, counties and a town to boost the economy in border areas.

And that's not all. Cities along the middle and lower reaches of the Yangtze River such as Chongqing in Sichuan Province, Wuhan in Hubei, Yueyang in Hunan and Wuhu in Anhui are also expected to enjoy preferential treatments originally designed for coastal open cities.

The opening may allow Jiujiang to become the first inland port city that allows foreigners to invest in financial ventures. That sector remains one of the least open in China.

"Only by greatly liberating our minds first can we open grandly to the outside world and gain fast economic development," said Peng Hongsong, mayor of Jiujiang and secretary of the Jiujiang Committee of the Chinese Communist Party.

Having missed the first express train of opening to the outside world, Jiujiang officials are determined, by every possible means, to catch the second train as it leaves the station.

Peng said that the city, located on the southern bank of the Yangtze River, has received approval from the central government to open to foreign ships.

Its newly-completed foreign trade dock has two berths for 5,000-ton ships with an annual cargo handling capacity of 700,000 tons.

At present, the city is building a new passenger dock near the foreign trade dock to meet the rising demands of domestic and foreign tourists, the mayor said.

Jiujiang is planning to construct a 52-square-kilometre development zone in the west part of the city. A 3.8-square-kilometre area is scheduled to be developed within the next five years specifically for foreign investment.

The city will lure foreigners to develop large tracts of land by promising lower land-use fees than are available in coastal areas and giving them long-term leases—50 to 70 years.

To further improve the investment climate of Jiujiang, the Jiangxi provincial government has decided to invest 3.3 billion yuan (\$600 million) in the city in the 1991-95 period.

By the end of this year, the Beijing-Jiujiang-Fuzhou and the Beijing-Jiujiang-Nanchang express trains will start running.

At the moment, a bridge across the Yangtze River is under construction, which is the key junction of the Beijing-Jiujiang-Kowloon Railway. It is expected to be completed the same year Hong Kong returns to China—1997.

Operation of the railway will make still-remote Jiujiang city the heart of a potentially strong economic area along

the Yangtze River starting from Shanghai and ending in Chongqing, Sichuan Province.

Auto Industry Warns of Post-GATT Competition

HK2006060092 *Beijing CHINA DAILY in English*
20 Jun 92 p 2

[By staff reporter Cheng Welmin: "Car Makers Gear Up for Challenge"]

[Text] Officials from China's automotive industry yesterday described in clear terms the urgency with which the industry should be moving to meet challenges from overseas.

"Our industry, although fledgling, has to join with the competition in the international arena. The situation facing us now is grim," Wu Ziqiang, vice-president of the China National Automotive Industry Corporation (CNAIC), said.

Wu made the remarks in response to concerns voiced about the industry's future, when China will have to lower tariffs on imports.

China is determined to regain its status in the General Agreement on Tariffs and Trade (Gatt) and has already made efforts to meet Gatt membership requirements.

That means, experts say, that the country must drastically reduce the number of domestic products it protects from imports and abolish or lower its import duty barriers.

China's Gatt status is likely to be reinstated, the experts say. Within a couple of years after that, low-priced foreign autos may flood the country.

China last year produced 700,000 automobiles, compared with 510,000 in 1990.

However, Wu pointed out that 120 plants contributed to that output. That means production at each plant on average was far less than any profit-making scale.

Under protection from high tariffs, many domestic products have been priced unreasonably high. That pricing scheme would demolish any possibility of competing with imported autos in the domestic market, experts said.

"We must enlarge production scale and strengthen product development in major plants as soon as possible," Wu said.

Meanwhile, Wu appealed to the central government to beef up investment in the development of the industry, or else times will be difficult.

He urged officials and entrepreneurs to open their eyes to the gap between the industry here and those in advanced nations.

At a press conference held yesterday in Beijing, Wu said that a six-day international automotive exhibition, the

largest of its kind China has held, will open on June 25 at the China International Exhibition centre in Beijing.

CNAIC officials said the fair, organized by CNAIC and the China Council for the Promotion of International Trade, is a good chance to see the gap.

About 500 companies, including more than 100 from 18 foreign countries and regions, will participate in the high-profile fair.

The United States' General Motors and Chrysler, Japan's Nissan, Toyota, Mitsubishi, Isuzu and Daihatsu, Germany's Volkswagen and France's Peugeot are among those who will display their best.

Liu Fengzhou, director of CNAIC's International Cooperation Division, revealed that Nissan will debut seven of its high-grade automobiles. The models represent Nissan's up-to-date technology.

Wu revealed that in the year's first five months, the Chinese auto industry made at least 340,000 vehicles and sold the same number, up 46 percent and 37 percent respectively over the same period last year.

Government Funds Seeks To Expand Railway System

OW2106081392 Beijing XINHUA in English
0719 GMT 21 Jun 92

[Text] Beijing, June 21 (XINHUA)—China will mobilize more funds from the central government, government departments, localities and enterprises to build more railway lines during the Eighth Five-Year Plan period (1991-95), according to the Ministry of Railways.

The country now has over ten such jointly-funded railway lines under construction. To use funds from various sides in railway construction has become a main form in developing railway transport facilities.

The railway lines under construction include those from Jining to Tongliao, Nanning to Kunming, Xi'an to Yan'an, Guangzhou to Meizhou and Shantou, Xiangtang to Ji'an, Hefei to Jiujiang, Xiaoyi to Liulin, Baoji to Zhongwei and Chengdu to Daxian county.

Center Promoting Foreign Trade Union Ties Opens

OW1706144292 Beijing XINHUA in English
1316 GMT 17 Jun 92

[Text] Beijing, June 17 (XINHUA)—The China Worker's Home, the country's first such center set up to promote exchanges between domestic and overseas workers and trade unions, is to go into official use in Beijing soon.

The building has received eight overseas trade union delegations since it started its trial run May 1 this year.

The workers' home, with an investment of 76 million yuan (about 14 million U.S. dollars), was built and is managed by the All-China Federation of Trade Unions (ACFTU).

The 21-storey building, with a construction area of 28,000 sq m [square meters], includes hotel rooms, restaurants, a recreation center, a meeting center, a commercial building and a shopping center.

According to ACFTU officials, the organization now has over 10,000 collective members and over 100 million individual members.

Free Trade Zones Continuing Expanded Construction

OW2106034592 Beijing XINHUA in English
0206 GMT 21 Jun 92

[Text] Beijing, June 21 (XINHUA)—Free trade zones, which had been something completely new to Chinese residents, are now being constructed with full steam ahead along China's coastal areas.

Economists described the emergence of such zones as an important sign of China's accelerated pace of reform and opening to the outside world.

Up to now, the country has built free trade zones in the Pudong new area of Shanghai, the port of Tianjin in Tianjin, Shenzhen in Guangdong Province, Dalian in Liaoning Province and Guangzhou in Guangdong.

Shanghai customs has approved three enterprise groups to enjoy free tax treatment in the import of raw materials while their production should be under the strict supervision by the customs. The products made with the imported materials should be all exported. This is a new method of the customs to support export-oriented production. The city plans to set up some more such enterprises this year.

Meanwhile, bonded warehouses have been built in Beijing, Shenzhen and other areas of the country.

This year, the country also plans to construct a free trade zone and an economic development zone in Yangpu in Hainan province in South China, according to officials of the General Administration of Customs of China.

Furthermore, some open coastal cities like Xiamen, Shantou, Yantai, Qingdao, Zhuhai, Ningbo, Nanjing, Zhangjiagang and Beihai have also asked for approval from the central government to set up free trade zones.

Free trade zones constructed in China mean that foreign goods entering the zones are exempted from tax, and home products entering the zone are treated as exports. Firms in the zones can carry out various forms of business such as storing, processing, re-export, trade, finance and real estate. Commodities in the zones are free to be exported. But if they are to enter the home market, they need to pay taxes.

Today, there are nearly 100 countries worldwide having such zones, usually called free trade zones.

Economists hold that to build free trade zones in China based on foreign experience is of far-reaching significance for China's economy to be involved in international economic circulation and promoting the economic development of China.

Among the country's six free trade zones, four of them in Shanghai, Tianjin, Dalian and Guangzhou are located in port areas, and the other two in Shenzhen and Shatoujiao are in border outlets.

The zones have put priorities on the import of high and new technologies, opening financial markets, and development of information services and other trades.

All the six zones have gone into operation while continuing construction of infrastructure facilities.

The Waigaoqiao free trade zone in Shanghai has approved nine projects involving funds from Japan, Singapore, Hong Kong and Taiwan, with a total investment of 100 million U.S. dollars. The projects are mainly of electronics, electric appliance and food industries and storing and processing.

The Tianjin free trade zone has approved 49 projects with a total contracted funding of over 250 million U.S. dollars.

The Futian zone of Shenzhen has received 1,800 business people in over 60 groups from Hong Kong, Taiwan, the United States, Britain, Canada, Singapore, Australia and South Korea.

The Dalian zone is now under busy construction and is scheduled to complete its confinement wall by the end of July and put into operation in early 1993.

The construction of such free trade zones has become a new attraction for both home and foreign investors.

However, some Chinese experts noted that the founding of the zone still needs an experimental period and cannot be done in a rush, because the country is now lacking experts and specialists in managing the zones.

At the same time, China needs to work out related legal regulations and policies for the operation of the zones, the experts hold.

According to sources, Chinese departments concerned are now working to deal with the problems.

Official on Improving Soft Investment Environment

*OW2006063292 Beijing XINHUA Domestic Service
in Chinese 1054 GMT 19 Jun 92*

[Text] Beijing, 19 June (XINHUA)—Gui Shiyong, vice minister in charge of the State Planning Commission and director of the commission's Economic Research Center, pointed out here today that China's opening up

to the outside world is currently facing favorable conditions both at home and outside the country. He said as long as we take advantage of these favorable conditions, devise an appropriate and flexible strategy, and perform our work skillfully, we will be able to accelerate the pace of opening up and economic development.

At a seminar today on economic development in the country's special zones and coastal economic development zones, Gui Shiyong said: The strategic point of China's opening up to the outside world is placed along the coastal areas, and the opening up has been carried out stage by stage, level after level. Currently, a opening setup of special economic zones-coastal open cities-coastal open economic zones, in which interior provinces gradually follow the steps of opening up, has basically been established. Gui Shiyong called special zones and development zones the country's "pioneer zones of opening up to the outside world," "experimental zones for restructuring the economic system," "new economic growth centers of the coastal areas," and "the hub for linking interior areas to the international market."

Gui Shiyong held that the country's efforts to open itself to the outside world in the 1980s have laid a good foundation for its further opening up in the 1990s. He said, however, we should realize that China so far has not established a full-scale, all-front, and pluralistic opening setup—about 80 percent of the country's exports and foreign investment are from and in the 12 coastal provinces, autonomous regions, and municipalities; the opening areas are still quite limited; and most large- and medium-size state-run enterprises have not entered the international market to participate in international competition. He said: Generally speaking, the scale of China's use of foreign funds is not great—total foreign funds attracted by the country annually only accounts for about 1 percent of the \$500 billion in the world's funds market; direct foreign investment in China only accounts for about 4 percent of total foreign funds attracted by developing countries; the actual per capita foreign funds attracted by the country is only \$17, one of the lowest among developing countries. Moreover, foreign investment in China has been limited to certain areas, and many foreign investments are still in the three preliminary forms of import processing [processing of imported materials, assembling of imported parts, making products according to imported samples] and compensation trade.

Gui Shiyong held that the major factor hindering China's efforts to attract a large amount of foreign funds is the country's investment environment, especially its soft investment environment. He said: One of the key factors for further broadening the scope of opening up and for extensively using various means to attract foreign funds on a larger scale and on a higher level is to concentrate our efforts on improving our overall investment environment so we will become more appealing to foreign investors. We must begin to improve our soft investment environment by improving the government's

function and efficiency, ensuring the completeness and consistency of our policies, restructuring our economic system, improving the quality of our enterprises, refining our legal system, improving our social atmosphere, and raising our people's educational and cultural level. As long as we can break through the small sphere of solely depending on providing preferential treatment to foreign investors and work to improve the overall investment environment, we definitely will be able to create a new situation for our work of opening up.

Gui Shiyong stressed: In the future, the focus of our opening up should be shifted from "introducing funds, technology, and equipment to the country" to combining those aspects with "exporting products to foreign countries." We should enhance our ability to assimilate imported technology by upgrading our industrial technology; we should upgrade the quality of our products and enhance our enterprises' international competitive ability. We should not be afraid of competing and falling down in the international market and should accumulate funds needed for our modernization program by exporting more products in order to bring about a benign circle in our foreign economic relations.

Officials of relevant departments and some economists also spoke at the seminar. The seminar was jointly held by the State Planning Commission's Economic Research Center and the China Yan'an Literature and Art Society. Vice Chairman Gu Mu of the National Committee of the Chinese People's Political Consultative Conference and Wang Guangying attended the seminar.

Planning Official Stresses Information Services

HK1506142892 Beijing RENMIN RIBAO in Chinese
7 Jun 92 P 4

[By reporters Lu Mu (7627 3668), Qin Jingwu (4440 0079 0582); "Gu Shiyong Says New Pattern To Emerge in China's Planning Structure at National Construction Project Consultation, Information Work Meeting"]

[Text] Beijing, 6 Jun—Strengthening consultation and information work and increasing its proportion in planning work are major steps in deepening the planning structure reform and transforming the planning department's functions. With this reform's step, a new pattern will emerge in China's planning structure. This was revealed by Gui Shiyong, vice minister of the State Planning Commission, at the national construction project consultation and information work meeting which concluded today.

While reform and opening up continue to deepen and expand, the operational mechanism integrating planning and the market is also gradually being developed. In recent years, the country's fixed assets investments reached 570 billion yuan, with only one-fifth or so directly arranged through state planning; the proportion of command planning in industrial production also

shrank to 16 percent; and the proportion of state-dictated prices was no more than one third. Consequently, simultaneous with efforts to improve the national economy's overall equilibrium and formulate as well as carry out industrial policies, it is also necessary to persist with macroeconomic regulation and control and microeconomic opening in carrying out planning work to promote a sound economic growth.

In deepening the planning structure reform and transforming the planning department's functions, some very important issues are to step up consultation and information services; nurture and develop the market; serve both the market and enterprises; and include macroeconomic management, regulation, and control among the range of services offered. Toward this end, the State Planning Commission recently set up a consultation and information work special leading group in an attempt to satisfactorily fulfill the task of macroeconomic regulation and control as entrusted by the State Council by applying a new work style.

Gu Shiyong went on: The new situation demands that the connotation of planning work be expanded further. Planning should refer not only to the drawing up of command plans, targets, and projects, but it should also include consultation, information, and research as important components of planning work. Hence, consultation and information services should be given a big boost. It is necessary to comprehensively launch construction, economic, policy, domestic, and international consultation. Information work is essential to providing satisfactory consultation services. All kinds of information should be obtained through various channels, particularly the markets, and then placed under screening and further studies. At the moment, the State Planning Commission already has four teams in charge of planning and investment, consultation, information, and research. By giving full play to these four teams' roles, a new pattern will surely emerge in planning work.

Border Region Advised on 3 Development Problems

HK2206031692 Hong Kong CHING-CHI TAO-PAO
in Chinese No 23, 15 Jun 92 p 11

[“China Economic News” article: “Frontier Regions Urged To Engage in Self-Development”]

[Text] During a recent inspection of Xinjiang, Sheng Shuren, vice minister of the State Planning Commission, pointed out: The border regions should rely on their own efforts to open wider to the outside world and develop their economies.

He said, in the new situation, the border regions should handle well the following problems:

First, it is necessary to establish the policy decision concept of market guidance. To open up wider to the outside world, it is necessary to make a comprehensive study of the market and regard market analysis as the premise of policy decisions.

Second, it is necessary to establish the operational concept with economic efficiency as the target. The purpose of opening up is to promote economic development and increase economic efficiency.

Third, it is necessary to establish the development concept based on the means of accumulation. Apart from the portion given by the state, the border regions should mainly rely on themselves and opening up, develop border trade and economic and technological cooperation to support the trade ports and border cities, and support and boost the border regions by means of trade.

Meeting Views Experience With Foreign Specialists

SK1806120192 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 17 Jun 92

[Text] A national meeting of large and medium-sized enterprises to exchange experiences in inviting foreign specialists was held in Jining on 17 June.

More than 200 people were present at the meeting. They were relevant persons from 11 state departments, commissions, general offices, and bureaus, including the State Economic and Trade Office and the State Bureau of Foreign Specialists; relevant comrades of the import offices of various provinces, municipalities, autonomous regions, and the cities that can formulate their plans independently; and representatives of 57 large and medium-sized enterprises throughout the country.

The meeting will exchange experiences of large and medium-sized enterprises in bringing in foreign knowledge, accelerating technological progress, developing new products, and creating foreign exchange through exports.

Guo Changcai, vice governor of the provincial government, made a speech at the meeting.

He said: Bringing in foreign information is a matter that will allow larger and quicker profits with a small amount of capital. To meet the demands of opening to the outside world and developing the export-oriented economy, Shandong Province has set forth two targets to struggle for: The province should bring in 10,000 foreign science professionals and technicians during the Eighth Five-Year Plan period, an increase of 100 percent over the figure in the Seventh Five-Year Plan period; and it should select 10,000 personnel from scientific research and designing units of industrial and commercial enterprises, institutions of higher learning, and managerial departments and send them to foreign countries for advanced study and training. The province decides to work out, as soon as possible, preferential policies on attracting foreign talents to Shandong Province; to relax the restrictions of the policies and streamline the procedures to let Chinese students studying abroad, Overseas Chinese, and foreign citizens of Chinese origin settle in China; to give them preferential treatment; and to extensively invite skilled persons.

Firm Considering Business in Russia, Ukraine

HK2106042692 Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT) in English 21-27 Jun 92 p 4

[By Ren Kan: "Engineering Firm Seeks Overseas Possibilities"]

[Text] One of China's largest overseas civil-engineering corporations will extend its business antennae to former Soviet republics, Afghanistan and the Caribbean following its recent entrance into Vietnam.

The China Metallurgical Construction Corporation is considering opening offices in Russia and the Ukraine, said Wang Chengyi, president of the corporation.

The corporation plans to enter the market by exporting technology and high-quality labour. The former Soviet republics need both technical expertise and equipment renovation.

Co-operating with the United Nations Industrial Development Organization, the corporation is talking about a turnkey project for an iron and steel mill in Afghanistan.

Although the situation in some of these areas is not stable, Wang said, his corporation cannot afford to wait until the situation completely stabilizes.

"We should seize the opportunity to explore new markets," Wang said. "We cannot let ourselves be guided by events on the surface."

But Wang said his corporation will be very cautious to avoid losses.

Wang said the corporation pays much attention to political and economic analyses before taking measures to create new markets.

Before China normalized its diplomatic relations with Indonesia, the corporation had negotiated a contract to build two iron and steel projects and one gold mining venture. The corporation won two contracts last year.

After China and Vietnam normalized their relations, the corporation last month signed a contract to supply equipment and technical services for a large iron and steel company in Vietnam.

The president said the corporation is also seeking to co-operate with Vietnam in renovating and developing other industrial projects.

The corporation's business in the Caribbean will focus on the construction of housing, Wang said.

"Maybe we cannot make much profit at the beginning," Wang said. "But the market is promising in the future."

The corporation's plans for market development also include South Africa, where a number of trading contracts and industrial projects are under negotiation.

The market expansion will heighten the corporation's confidence that it can fulfill its target for this year. The contracted value of work for 1991 is expected to tally \$105 million when everything is added up, which will ensure the corporation's status as one of the top 250 international contractors.

The corporation, established 10 years ago, so far has gained footholds in Southeast Asia, South Asia, the Middle East, Africa and Guam. It has set up offices and joint ventures in more than 20 countries and regions.

Since 1980, the corporation has completed more than 400 projects in 30 countries and regions, providing more than 100,000 persons for technical and labour services.

'New Trend' in Beijing Foreign-Funded Enterprises

OW2106130192 Beijing XINHUA in English
1206 GMT 21 Jun 92

[Text] Beijing, June 21 (XINHUA)—More foreign funded projects, larger in scale, more investment in rural enterprises and more firms with solely foreign capital—these are the new trend of overseas investment in the Chinese capital this year.

According to the analysis based on statistics of Beijing Municipal Administration of Industry and Commerce, the development rate of the enterprises is rising conspicuously. Since January, the newly registered foreign-funded enterprises are 507, increased by 214.8 percent over the same period of last year.

The investment scope is on expansion and the proportion of large- and medium-sized foreign-funded enterprises are increasing. Of the newly-established foreign-funded enterprises, 202 have investment of 500,000 to one million U.S. dollars and 92 have investment of over one million U.S. dollars, accounting for 58 percent of the total.

The number of rural foreign-funded enterprises is on the increase. In the first five months, there were 325 enterprises of this kind, accounting for 64 percent of the total in the city.

Enterprises with solely foreign capital also rose remarkably this year. The newly registered enterprises of this kind reached 98, accounting for 61.6 percent of the total number of solely foreign funded enterprises set up over the past years.

Productive-type enterprises take up a large proportion. Of the newly registered enterprises, the productive-type ones account for 93.7 percent and most of them belong to electronics, chemical industry, machinery and garment processing industries.

According to the administration, the foreign-funded enterprises in Beijing have reached 2,000 and the total investment was 5.49 billion U.S. dollars. Of them, 1,683 are Sino-foreign funded ones, 60 are Sino-foreign cooperative ones and 257 are solely foreign funded ones.

Book on Foreign Investors' Real Estate Codes

OW2006072692 Beijing XINHUA in English
0702 GMT 20 Jun 92

[Text] Hong Kong, June 20 (XINHUA)—A section of regulations on real estate in China, the first authoritative book ever compiled on the mainland, will be off the press in Hong Kong at the end of this month.

The book, jointly published by China's Ministry of Construction and Hong Kong-based China Sky Consultancy Co., falls into three volumes containing 1.2 million Chinese characters in total.

It includes codes, regulations and documents governing real estates for central government organizations and for various provinces, autonomous regions and municipalities. All regulations contained in the book relate to overseas investors including those in Hong Kong and Macao.

The first volume will be published later this month and the other two volumes are expected to come out in October this year. The English version of the book will be also be published soon.

3-Dimensional Agriculture Developed 'Vigorously'

OW2206140292 Beijing XINHUA in English
1303 GMT 22 Jun 92

[Text] Chengdu, June 22 (XINHUA)—China has vigorously developed three-dimensional agriculture in a bid to alleviate the shortage of farmland.

At present, three-dimensional agriculture of various types has been experimented with and demonstrated in most of China's provinces and in some provinces, the different production models have been extended.

Lu Liangshu, China's famous agronomist and president of the Chinese Association of Agricultural Science Societies, explained that the so-called three-dimensional agriculture which first appeared in China in the middle of the 1980s, refers to a production model in which more than one plant or organism grows in the same piece of land or water.

This is designed to make full use of space, light and heat resources to improve the agricultural production and product varieties.

In spite of its disadvantage in agricultural mechanization, the three-dimensional agricultural production model is suitable for China's rural situation since the average farmland per capita in China is only some 0.08 hectares and the labor force in the rural areas cannot be absorbed by industrialization. Lu further explained.

Therefore, three-dimensional agriculture has been considered as a strategic measure to develop agriculture, revitalize the rural economy and many agricultural personnel have been engaged in the research of the three-dimensional production models. Some of the models

have been put on the priority development list in the Eighth Five-Year Plan period (1991-95).

According to a national meeting on the development of three-dimensional agriculture held in Chengdu, there are now some 1,000 models of several dozens types of three-dimensional agriculture in the country. The production models have been adopted on millions of hectares of farmland. The three major types are classified according to their economic gains: 9,000-15,000 yuan, 15,000-30,000 yuan and 30,000-75,000 yuan per hectare of farmland, respectively.

Now, the application of three-dimensional agriculture has extended from crops to forestry, animal husbandry and fishery, from the comprehensive use of farmland to hill slopes, water area and waste land as well as farmers' courtyards.

In the past few years, three-dimensional agriculture has distinctly changed some rural areas in China. In Shandong Province, three-dimensional models have been applied to some 20 percent of the farmland in the past three years with an accumulative increased economic result of more than 2 billion yuan; in Miyi County of Sichuan Province, the annual income per capita has doubled, which is attributable to the application of three-dimensional agriculture.

According to an official of the Ministry of Agriculture, in areas where three-dimensional agriculture has been applied, the land-bearing capacity has distinctly been raised, the ecological environment improved and economic development grew higher than the country's average level.

China's development model of three-dimensional agriculture has attracted attention from the international circles. Foreigners from more than 20 countries and regions have come to inspect three-dimensional agriculture.

Some three-dimensional agriculture techniques including the rice-duckweed-fish technique have been exported to some developing countries including Southeast Asian and Central African countries.

Editorial Stresses Agriculture Reform's Importance

HK2206144392 Beijing RENMIN RIBAO in Chinese
19 Jun 92 p 1

[Editorial: "Always Bear in Mind Agriculture Is the Foundation"]

[Text] Better than was expected, a good summer grain output and harvest is a foregone conclusion in China this year after overcoming natural disasters. Various localities are active in organizing the summer harvests. This good news in agriculture is gratifying to the people throughout the country and also serves as a generous gift for the successful convening of the 14th CPC National Congress. This is the result of the peasants' assiduous

cultivation and is also the result of the entire party's concern for agriculture and rural work.

As pointed out by the Eighth Plenary Session of the 13th CPC Central Committee, agriculture is the foundation for economic development, social stability, and the country's self-reliance. Agriculture must really be given priority in economic development. We should soberly understand that the material and technological foundations for China's agriculture are still weak and the agricultural production level is unstable. China's agriculture cannot withstand the major setbacks or fluctuations that have occurred for several consecutive years. Agricultural fluctuations have a strong impact on the overall situation. Following the increase in population and social demand, agricultural tasks are becoming heavier each year. The situation of agricultural development directly affects the entire national economic development situation. Therefore, the position of agriculture as the foundation must not be ignored or weakened as soon as the agricultural situation changes for the better, or several years after our lives become better.

Why should we attach great importance to agriculture being the foundation? An important reason is that the grain problem concerns the overall situation. "With grain in hand, the mind is free from worry." Solving the problem of feeding the 1.1 billion people is a task of primary importance and not the slightest prejudice is allowed on this problem. Agriculture provides a lot of the means of subsistence and the industrial materials of society. Neither the improvement of the people's lives nor economic development can be separated from agriculture. From an overall and long-term perspective, China's grain, cotton, oil, and sugar is not too much, but too little. Due to population growth, the per capita grain level is comparatively low and is still below the per capita level of 1984. In the future, the pressure for grain will become heavier following national economic development and the improvement in the people's consumption demand structure. Some regions' difficulties in selling grain at present do not suggest that China's grain problem has been solved because there are problems in the circulation, processing, and storage links. The present per capita grain level is very imbalanced. Quite a number of localities have only acquired the low level of having enough food to eat, and some individual localities have not completely solved the problem of adequate food and clothing. All local party organizations and governments should take note of this and adopt positive measures to resolve the peasants' difficulties in selling grain and other agricultural products, and the problem of the overstocking of these products.

Since the transmission of the spirit of Comrade Deng Xiaoping's important talks early this year, people throughout the country have been filled with joy; their enthusiasm has become very great, and their vigor has become very strong. The entire economic structural reform with enterprise reform as the central link, is on the rise. In this situation, it is particularly important to pay attention to, and strengthen agriculture. Do not

think that rural reform has been crowned with success. Still less should we forget the importance of agriculture. In the course of devoting major efforts to urban reform and enterprise reform, party organizations and governments at all levels should not overlook agriculture or rural work. We should be good at carrying out our work like "playing the piano" and should promote the co-ordinated development of work in various aspects, instead of attending to one thing and losing sight of another, as this could cause unrecoverable losses.

In the 1990s, China's agriculture has faced a major change, namely, it has shifted from pursuit of increasing product quantity to mainly pursuing results with equal stress on high yield, good quality, and high efficiency. This is an unprecedented, major change in China's agricultural development. We should be aware that the Chinese peasants are shifting from adequate food and clothing to a better-off life. The peasants cherish an increasingly strong desire for an improved standard of living and an improved rural social look; urban people keep setting new demands for agricultural product quality; an export-oriented, agriculture that generates foreign demands that products must conform with international market requirements; the planned allotment and distribution of agricultural products and agricultural production are shifting toward a structure that integrates planning and the market; commodity circulation relations between urban and rural areas, and between industry and agriculture, are becoming more lively and more complicated, thus requiring agricultural products to be more marketable; and comparatively large-scale development of commodity production has promoted the transformation of production technology from traditional farming skills into the mass application of modern science and technology, the transformation of agricultural products from primitive and primary production into extensive processing, and their extension to the circulation field. This is a sign of China's progress in agriculture and rural work, and the result of resolute reform since the Third Plenary Session of the 11th CPC Central Committee. Past methods that we are familiar with are far from capable of coping with a number of new problems in agriculture and rural work. The rural areas are a big classroom with a deep knowledge that we should make efforts to study.

In this new situation, to consolidate and strengthen agriculture which is the foundation, we must continue to take the road of reform. Only by deepening reform will agriculture and the rural areas have a way out. The "decision" adopted by the Eighth Plenary Session of the 13th CPC Central Committee has explicitly set out the main points and orientation of rural reform and this must be positively carried out. At present, particular attention should be paid to setting up and improving the agricultural socialized services system to provide services for peasant households in the entire process of production and circulation; it is necessary to deepen the reform of the circulation field and to speed up the development of commodity economy; there is a need to

take resolute and powerful measures to put into effect the strategy of invigorating agriculture by means of science, technology, and education; we should transform medium- and low-yield fields in a planned way, gradually adjust the agricultural production structure on the basis of maintaining a steady increase in the gross agricultural product, energetically develop a high-yield, good quality, and highly efficient agriculture, and speed up the development of secondary and tertiary industries in the rural areas. We now have the fine environment and favorable conditions to deepen rural reform. Prominent achievements have been made in rural reform for the last 10 years and more and the vast numbers of peasants and rural cadres are active participants in reform and also direct beneficiaries. They cherish a strong wish to deepen reform and further invigorate the rural economy; the rural structure is flexible and obstacles to reform are comparatively small; agricultural harvests and rural economic development for several consecutive years have dredged the channel and turned on the "green light" for deepening rural reform. Comrades in the entire party, particularly the vast numbers of peasants and rural cadres, should carry forward their revolutionary spirit in the rural reform, continue to emancipate their minds and change their concepts, be bold in exploration, and devote major efforts to promote rural reform.

In deepening rural reform, work should be carried out in a down-to-earth manner and "no single solution should be applied to diverse problems." China is a country with a large territory. Different regions have different natural conditions and different economic development levels and there are even bigger differences in the agricultural production and rural economic development situations in the various regions. Therefore, the fulfillment of many tasks should not wait until a complete understanding is reached or until the announcement of "red letterhead documents" by the central authorities; instead, they should open up paths to move forward in light of local conditions and gradually reach a consensus in the course of implementing the central authorities' instructions. Tremendous achievements in previous rural reform emerged out of effort, and future development also needs practical effort.

At present, various localities are seriously studying the spirit of Comrade Deng Xiaoping's important talks and striving to develop their economies to a new stage. In the course of stabilizing and improving the party's basic policy on rural areas, we should invigorate the rural commodity economy with a free mind, promote the overall development of agriculture, forestry, animal husbandry, sideline production, and fishery to increase the peasants' income, and blaze a new trail in agriculture and rural work as soon as possible.

10 Agricultural Projects Score 'Big Returns'

OW2106034292 Beijing XINHUA in English
0247 GMT 21 Jun 92

[Text] Beijing, June 21 (XINHUA)—The ten comprehensive agricultural development projects, the first

group of such projects listed by the Chinese government in 1988, have scored big returns in various localities.

The ten projects are in the Sanjiang plain of Heilongjiang Province, Songliao plain of Jilin Province, Liaohe Delta of Liaoning Province, along Huang He, Huaihe and Haihe rivers of Hebei, Henan, Shandong, Anhui and Jiangsu provinces, the Xinjiang Uygur Autonomous Region, and Zhejiang Province.

The first phase construction of the projects involved 477 counties and seven farms, and consumed an investment of 7,499.8 million yuan (about 1,499.8 million U.S. dollars), according to today's ECONOMIC INFORMATION DAILY.

The projects witnessed the improvement of more than 3.453 million hectares of low-yielding farmland, reclamation of 445,400 hectares of wasteland and afforestation on 301,740 hectares.

They have improved irrigation on over 3.071 million hectares of farmland and soil on 1.5 million hectares.

In the past three years, the areas covered by the projects achieved an additional output of 8.21 million tons of grain, 250,000 tons of cotton, 290,000 tons of oil-bearing seeds, 1.57 million tons of sugar crops and 310,000 tons of meat.

East Region

Jiangsu Launches New Price Reform Program

OW2306060292 Nanjing XINHUA RIBAO
in Chinese 15 Jun 92 p 1

[By XINHUA RIBAO reporter Su Jiazong (5685 0163 4844): "The Province Launches a New Program for Price Reform; Freely-Priced Commodities Are To Account for Over 80 Percent of the Total Volume of Retail Sales This Year"]

[Text] The provincial government recently approved and disseminated a new program drawn up by the provincial Commodity Prices Bureau on further deepening price reform, and urged governments at various levels and all departments to earnestly put it into practice.

As defined by the program, the aim of our price reform is to gradually set up a pricing mechanism that is guided by market forces and a price administration system dominated by enterprise pricing and indirect control. In line with this requirement, the 210-odd categories of commodities under provincial price control have been reduced to 20, while those under authorized price control by cities or counties fell to 11 from more than 100 originally. As such, it has been estimated that the market share of state-priced commodities, in terms of the volume of commodity retail sales, will drop from last year's 31.5 percent to 17.54 percent this year; of which, commodities under price control by the central, provincial, and city or county authorities will respectively contribute 8.14 percent, 4.32 percent, and 5.46 percent. The market share of commodities with market-regulated prices will expand from 68.5 percent to 82.46 percent.

With a view to enlivening production and circulation, the program proceeds from the actual situation in Jiangsu to boldly break through existing policies and regulations and create conditions for enterprises to go all-out in their pursuit of vigorous growth. It introduces the pricing mechanism of village and town enterprises into large and medium-sized enterprises in the light and textile industries in an effort to gradually bring about the adoption of a pricing method that allows the price to float independently of fixed consumption, wages, overheads, and profits. It significantly reduces the extent of control over price gaps among similar manufactured goods for daily use. As for commodities with market-regulated prices, floating price gaps determined by the province now only apply to bicycles, refrigerators, washing machines, the Yanghe and Shuanggouqu wines, aluminum woks, and major modern office equipment. The price gaps for other commodities will be decided by the enterprises according to the market situation.

The program lays stress on strengthening the government's ability to control commodity prices in an effort to maintain social stability and create an environment favorable for reform and development. As a major measure, it simultaneously takes these three lines: monitoring and forecasting, regulation and control, and the

legal system. In other words, governments at all levels are required to establish and improve measures for regulating prices and establish a system of price monitoring and control to regularly monitor and control, according to different locations and market segments, the overall level of commodity prices and the fluctuation in prices of important commodities that have an impact on the national economy and the people's livelihood.

Shandong Governor Meets With African Ambassadors

SK2306090092 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 22 Jun 92

[Text] On the evening of 22 June, Governor Zhao Zhihao met with and feted Ferdinand K. Ruhinda, Tanzania's ambassador to China; [Peter Lesa] Kasanda, Zambia's ambassador to China; and [Boniface Guwa] Chidyausiku, Zimbabwe's ambassador to China, at Badaguan Hotel in Qingdao.

Ambassadors of these three countries came to Shandong for the purpose of attending the 1992 foreign economic and trade symposium of Qingdao, China. Governor Zhao Zhihao extended a warm welcome to the guests, wishing them a successful visit in Shandong. The visits are the first for these three ambassadors. They expressed that through the visit to the export product exhibition of the Qingdao foreign economic and trade symposium and the contacts with relevant foreign trade companies, they gained a profound understanding of Shandong and a very good impression of it. They discovered that prospects for developing economic and trade cooperation with Shandong are great and expressed the hope that they would come to Shandong to expand the sphere of economic and trade cooperation as soon as possible.

Zhao Zhihao said: The people of Shandong have profound sentiments toward the people of Africa and have always supported the political and economic construction of African countries. Shandong has sent medical and technical personnel to work in Africa on several occasions. The African people have also showed great concern and support for China. It is hoped that the ambassadors would travel to all parts of Shandong to deepen their understanding of Shandong, to further improve friendship between the peoples of China and Africa, and to strengthen economic and trade cooperation.

Wu Bangguo, Huang Ju Address Study Class

OW2206151492 Shanghai JIEFANG RIBAO
in Chinese 19 Jun 92 p 1

[Text] Following the study class held for party committee secretaries and committee and office directors in Dakou, the Shanghai Municipal CPC Committee and the municipal government sponsored a study class at the former's party school 16-18 June for leaders of district and county party and government organizations. Secretary Wu Bangguo of the municipal party committee,

Mayor Huang Ju, and Deputy Secretary Chen Zhili of the municipal party committee attended and addressed the study class.

The central topics of the study class for district and county leaders were: Thoroughly understand and implement in an all-around way the important speeches made by Deng Xiaoping during his southern tour, the instructions by the CPC Central Committee on accelerating reform and opening up wider to the outside world as well as the important speech made by Comrade Jiang Zemin at the central party school; achieving a common understanding in light of Shanghai's reality and bringing into fuller play the enthusiasm, initiative, and creativity of the districts and counties to quickly develop Shanghai's economy into a new stage. Centering around these central topics, they spoke their minds freely and offered many good ideas and constructive suggestions.

All those present at the study class unanimously maintained that while the situation in Shanghai is gratifying, it is also a situation that compels people to work harder. To augment Shanghai's gratifying situation so it can play its proper role, people in Shanghai must continue to emancipate and refresh their minds. Emancipating the mind will enable people to always remain lively and energetic. With their minds emancipated and refreshed, people will have a broader vision, become more resourceful, and be able to open up more new paths. An important part of emancipating the mind today is to seize the current opportune time to boldly do away with outdated conventions that hamper the development of productive forces, intensify the strength of reform, broaden the scope of opening up, and speed up development. We must not let the opportunity slip by and fail to make progress in reform, opening up, and development because of undue emphasis on stability. We must dare to take a bolder approach and go daringly ahead in experimenting with any measure that will help develop the productive forces of our socialist society, increase our country's overall strength, and raise the people's living standards. We must dare to carry out the gigantic undertaking of developing Pudong and rejuvenating Shanghai with broad measures of reform and opening up.

Those attending also maintained that one important idea of intensifying reform and opening up and accelerating Shanghai's economic development is, as Comrade Xiaoping instructed, to give districts and counties more power so they can do their jobs in a more coordinated manner and so their economies can play the role as the "main force" in Shanghai's economic development. After the municipal authorities clearly defined their responsibilities and granted them greater powers earlier this year, the districts and counties have made marked progress in intensifying reform, attracting foreign investment, renovating city areas, and developing the economy. In the second half of this year, the municipality will delegate even more powers to districts and counties and help them develop trade, land leases, housing and property, and other service trades; raise more construction funds through various channels; and

speed up construction of district and county-level infrastructure projects and municipal auxiliary projects. It is necessary to implement the policy of "integrating the city and countryside," promote joint development of districts and counties, break down barriers between departments and districts, and speed up renovation of old city areas and the modernization of suburban towns. We should work hard to create the conditions for districts, counties, and enterprises to join efforts in making inroads into the international market and in playing a greater role in promoting trade and developing a well-functioning market. We should further mobilize the enthusiasm of the districts and counties, readjust the structure of industrial production, and optimize industrial and agricultural structures. Officials in charge of the districts and counties said one after another that they would change their concepts, broaden their views, proceed from the actual conditions in their respective localities, find out where they were exactly, speed up the pace of reform and opening up, carry out some solid projects, and make their due contributions to elevating Shanghai's economy to a new stage.

At the study class, Comrades Wu Bangguo and Huang Ju took part in the study and discussions, together with officials in charge of the districts and counties. They also gave important speeches on ways to further implement the guidelines of Comrade Xiaoping's speeches, carry out the CPC Central Committee's work plans, intensify reform, open wider to the outside world, and bring about quicker and better economic development in Shanghai. They stressed: It is necessary to earnestly study Comrade Deng Xiaoping's important speeches and the important speech given by Comrade Jiang Zemin at the Central Party School. Cadres at all levels must reach a common understanding, have a clear view of the situation, and emancipate and refresh their minds. In preventing and fighting erroneous tendencies, we must be on the alert for right tendencies; our main attention, however, should be paid to guarding against "left" tendencies. We must dare to break free of the yoke of outdated conventions, bad customs, and backward traditional ideas and enhance our consciousness and resolution for implementing the party's basic line. Party and government leaders of all districts and counties must be good at discovering and handling all major issues bearing on economic development as a whole and at uncovering potential for economic growth to expedite Shanghai's economic development. District and county party committees must play their parts as party committees at that level, thoroughly implement policies, and cherish cadres, train them, and use them boldly. When they evaluate the performance of a cadre, they should see whether he is working hard; more importantly, however, they must see whether he can creatively implement the guidelines of the CPC Central Committee and decisions of the municipal party committee, how many important projects he has carried out, and whether the people's standard of living has been improved. All leading party cadres must study and understand economic affairs, make genuine efforts to promote reform and economic construction,

spare empty talk, and do more solid work and produce more real results. Also attending and speaking at the study class were leading comrades of the municipal CPC committee, municipal government leaders—including Zhao Qizheng, Wang Liping, and Gu Chuanxun—as well as officials in charge of the municipal construction commission, the agricultural commission, foreign economic relations and trade commission, and financial and trade office, the office in charge of developing Pudong, and the Shanghai branch of the People's Bank of China.

Wu Bangguo Meets Chinese-American Scientist

OW2306102692 Shanghai People's Radio Network in Mandarin 2300 GMT 22 Jun 92

[By staff reporter Zhu Mei; from the "Morning News" program]

[Text] On the evening of 22 June at the New Jinjiang Hotel, Wu Bangguo, secretary of the Shanghai Municipal CPC Committee, cordially met with Professor Yang Cheng-ning, a noted Chinese-American scientist, to greet the latter's 70th birthday. Yang Cheng-ning noted with praise that Shanghai had undergone a lot of changes in the past several years.

Wu Bangguo mentioned that the municipal government currently was working on improving transportation in the city, readjusting the industrial structure, and developing the tertiary industry. To facilitate the effort to vitalize Shanghai, he said the city's construction market would open wider to the rest of the nation and that the city planned to import a large number of construction personnel.

Yang Cheng-ning said he had visited Beijing, Tianjin, Taiyuan, and Hefei before he came to Shanghai. The impression he got was that people at all localities were very enthusiastic about accelerating reform and were full of confidence about the future.

Also present at the meeting were Mr. and Mrs. Liu Yonglin of Hong Kong Yilida Industrial Development Group Co. and (Mao Xinquan), chairman of the Shanghai Overseas Association.

Shanghai To Build 3 More River Crossing Projects

OW2306014492 Beijing XINHUA in English 0102 GMT 23 Jun 92

[Text] Shanghai, June 23 (XINHUA)—Shanghai, the largest metropolis in China, is to construct three more large projects that will go across the Huangpu River so as to ease increasingly crowded urban traffic.

The three new projects planned are the double-track of the Yanandonglu Street Tunnel, the No. Two Subway route and the Waihuan (outer circle) Road.

The design of the No. Two Subway route, which links the Hongqiao International Airport with the Pudong New Development Area, will be drafted next year.

The completion of the planned projects will greatly increase the capacity of the city's traffic, according to local officials.

Central-South Region

Hainan Secretary Addresses Local CPC Congress

HK2306063092 Haikou Hainan People's Radio Network in Mandarin 2300 GMT 16 Jun 92

[Text] The Hainan Provincial CPC Congress was convened in Haikou this morning.

The congress was mainly held to elect the Hainan deputies to the forthcoming 14th CPC National Congress.

Provincial party committee Secretary Deng Hongxun; Liu Jianfeng and Gu Qinglin, provincial party committee deputy secretaries; Bao Keming, Wei Zefang, Li Zhimin, Xiao Xuchu, Huang Houhong, Dong Fanyuan, and Chen Yuyi, provincial party committee standing committee members; as well as 142 deputies from various fronts, various cities and counties across the province, as well as various organs directly under the provincial authorities attended the congress.

Secretary Deng Hongxun presided over and delivered a speech at the opening ceremony of the congress, in which he said: The Eighth Plenary Session of the 13th CPC Central Committee decided to convene the 14th CPC National Congress in the fourth quarter of 1992. The forthcoming 14th CPC National Congress will be another meeting of great importance and significance in the CPC history as well as a major event in the political life of the entire CPC membership. The successful convocation of the forthcoming 14th CPC National Congress will be of phenomenal and far-reaching significance to inheriting the past and ushering in the future, adhering to the party's basic line, and pushing ahead with the great cause of building socialism with salient Chinese characteristics.

Deng Hongxun expressed the hope that all the deputies to the current provincial congress will fully comply with the requirements set by the CPC Central Committee, adopt a serious and conscientious approach, develop a highly responsible spirit, and strive to make the current provincial congress complete success. What is more important, Deng added, all the deputies to the current provincial congress should make conscientious efforts to elect qualified provincial deputies to attend the forthcoming 14th CPC National Congress.

Liu Jianfeng, provincial party committee deputy secretary, also delivered a speech in which he explained the work of nominating candidates for election as the provincial deputies to the forthcoming 14th CPC National Congress.

Gu Qinglin, provincial party committee deputy secretary, delivered a speech in which he explained specific methods of nominating candidates for election as the provincial deputies to the forthcoming 14th CPC National Congress.

In his speech, Liu Jianfeng said: Hainan began discussing and unfolding on an extensive scale the work of nominating candidates for election as the provincial deputies to the forthcoming 14th CPC National Congress at the end of last December. Since then, the provincial party committee has held several meetings wholly devoted to studying and discussing the relevant nomination methods and has also issued a circular calling for conscientiously carrying out the work of electing the provincial deputies to the forthcoming 14th CPC National Congress. As a result, the broad masses of party members across the province have concerned themselves with and participated in the work of nominating candidates for election as the provincial deputies to the forthcoming 14th CPC National Congress. Moreover, a total of 763 units responsible for nominating the candidates across the province have also called either enlarged party committee meetings or enlarged leading party group meetings at which democracy was fully developed and the views of the majority of the comrades concerned summed up. As a result, a tentative list of candidates for election as the provincial deputies to the forthcoming 14th CPC National Congress has been worked out.

Liu Jianfeng also advanced some specific requirements aimed at making election of the provincial candidates to the forthcoming 14th CPC National Congress complete success.

Today, in accordance with the requirements set by the CPC Central Committee on deputies to attend the forthcoming 14th CPC National Congress, the deputies attending the current provincial party congress unfolded conscientious discussions on the aforementioned list of candidates for election as the provincial deputies to the forthcoming 14th CPC National Congress and then formally elected a total of 19 Hainan deputies to attend the forthcoming 14th CPC National Congress.

This afternoon's meeting was presided over by Gu Qinglin, who relayed the relevant instructions issued of late by the CPC Central Committee.

Liu Jianfeng relayed Opinions of Hainan Provincial CPC Committee and Hainan Provincial People's Government on Further Expanding Opening up and Quickening Pace of Building Special Economic Region. The Opinions was divided into three chapters composed of 15 articles. The three chapters are as follows:

1. Further Expand Opening Up to Outside World;
2. Deepen Structural Reform;
3. Promote Unusually Rapid Economic Development of Special Economic Region.

After relaying the Opinions, Liu Jianfeng delivered a speech in which he emphatically called on the broad masses of party members and cadres across the province to further emancipate the mind, heighten vigilance against and avoid erroneous tendencies, concentrate efforts mainly on warding off interference of the left ideology, and guard against and overcome a tendency to become complacent about what has been achieved, stick to conventions, and make no new progress to actively push ahead with Hainan's reform and opening up, promote opening up by virtue of reform, promote exploitation by dint of opening up, and strive to promote an unusually rapid economic development of the Hainan Special Economic Region.

Deng Hongxun also delivered a speech at this afternoon's meeting, in which he called on leaders at all levels across the province, after returning to their respective units when the congress is over, to immediately organize people to study and implement the spirit of a series of speeches made by Comrade Deng Xiaoping during his South China tour early this year, the spirit of the relevant instructions issued of late by the CPC Central Committee, as well as the Opinions advanced by the provincial party committee and government in light of actual local conditions with an eye on unifying understanding, strengthening a sense of urgency in expanding opening up, bringing into full play various provincial superiorities, quickening the pace of local construction, unite as one, firmly grasp current excellent opportunities to carry out work in real earnest and in a down-to-earth manner, and strive to greet the successful convocation of the forthcoming 14th CPC National Congress with more outstanding achievements.

Hainan Governor Attends Contract Signing Ceremony

HK2306110792 Haikou Hainan People's Radio Network in Mandarin 2300 GMT 16 Jun 92

[Text] Yesterday evening, provincial Governor Liu Jianfeng, provincial Vice Governors Bao Keming, Mao Zhijun, and Wang Xueping, Zhou Song, provincial Chinese People's Political Consultative Conference committee vice chairman, and other provincial leaders attended a contract signing ceremony held in Hainan Huaqiao Hotel, at which the Hainan Provincial Port Affairs Bureau leased land to Mr Wu Kunhan and Mr Wu Kunzhi, who are Chinese-American brothers.

At the signing ceremony, Mr Wu Kunhan and Mr Wu Kunzhi, on behalf of the Hainan Huangquan U.S. Company Ltd. and the Hainan Aihua Real Estate U.S. Company Ltd., respectively, and Chief Auyang Baokui, on behalf of the Hainan Provincial Port Affairs Bureau, signed the land lease contract.

After the signing ceremony was over, on behalf of all the provincial leaders attending the signing ceremony, provincial Vice Governor Mao Zhijun delivered a speech in which he welcomed and appreciated Mr Wu Kunhan and Mr Wu Kunzhi for making investments in their hometown, and expressed the hope that the two brothers

will show more concern for both exploitation and construction in their hometown and tell Hainan compatriots living abroad more about the situation in Hainan.

Mao Zhijun also expressed the hope that more and more Overseas Chinese of Hainan origin will come to Hainan to visit relatives, tour the area, and invest.

Henan To Probe Unreported Workplace Accidents

HK2306032592 Beijing CHINA DAILY
in English 23 Jun 92 p 3

[Report: "Probe Into Pit Deaths Cover-Up"]

[Text] The coal-rich province of Henan, in Central China, is to conduct a thorough investigation into all unreported workplace accidents following a pit tragedy cover-up probe.

On April 28, a mine collapse at Xinjian Coal Mine, in Xingyang County, killed four and injured two miners.

But in a bid to conceal the disaster, mine officials told authorities that two miners were only "slightly injured", according to the latest issue of China Labour News.

The provincial labour department, trade union and procuratorate jointly looked into the accident and found the report to be false.

The three departments jointly issued a circular in the province, criticizing the mine for the cover-up and all coal mines in the province were called on to strengthen safety measures.

The newspaper said such unreported or falsely reported accidents also can be found in other mines, even in some State-run pits.

The main reasons for the chicanery is to avoid heavy fines, to cheat the higher authorities and to give outsiders a false impression of its safety records, the newspaper said.

The circular urged that all unreported accidents since 1991 should be filed as soon as possible, otherwise severe punishments would be imposed.

Miners were also encouraged to speak up about covered-up accidents and were guaranteed on the protection of their rights.

In an editorial the newspaper said such cover-ups are "unbearable" and are "crimes committed against the miners."

According to Chinese laws and regulations, the relatives of workers killed at work should receive substantial financial compensation and a guarantee that their children will be cared for.

Injured workers receive life-long pensions and other benefits from the government, enterprises and mines.

But if an accident goes unreported, such pensions and benefits may not be provided.

In Handan Prefecture, in Hebei Province, the labour and personnel department, after investigations, issued certificates for the injured workers, which guarantee their legal pension and benefits.

According to the newspaper, the practice of accident cover-ups exists in the region, to the detriment of workers' rights and benefits.

In 1987, 14 township enterprise accidents were reported out of a total of 45.

Southwest Region

Guizhou Take Actions To Fight Drug Trafficking

HK2306044592 Guiyang GUIZHOU RIBAO
(WEEKEND EXPANDED EDITION) in Chinese
30 May 92 p 1

[("Special article" by Chen Yingqiu (7115 2019 4428), Xiao Caizhong (5135 2088 1813), Fang Bao (2455 6283), and Fan Chaoquan (5400 2600 2938): "Fighting Off White Specter on Western Plateau"]

[Excerpts] The mountain was high and the valley deep.

The night was so dark that one could not even see one's hand in front of one's face. With torches in their hands, a number of scruffily dressed lean and haggard men and women crossed the Yunnan border to buy opium. By the glimmering light of the torches, we could see panic-stricken and pallid faces.

This is not a scene from a fiction film or television series, but real fact which can be seen in Ditang village, Mayi township, Laochang district in Guizhou's Panxian County.

Drug addiction has now become a global issue. Drug trafficking and addiction have become an incurable "social cancer." Information indicates that there are now 40 million drug addicts in the world. Drugs, public enemy of mankind, took 100,000 lives worldwide every year in the 1980's and also deprived millions of people of their intelligence, working ability, and normal life.

Drugs, the demon which led modern China to the abyss of humiliation, tears, and blood, has again appeared like an evil spirit in China, known as the "clean land in the East." Moreover, it is coming menacingly. In the early 1990's, drug addiction and trafficking have spread to all parts of the country. We can now find traces of the demon in more than 600 counties (cities).

"Subjects" of the Demon

Most people know that the "Golden Triangle" on the borders of China, Burma, and Thailand is a world-renowned, notorious drug production base. Thanks to coordination strengthened by Interpol to block the sea

passage of drugs in recent years, international drug traffickers have focused their attention on mainland China in a bid to take the advantage of China's opening up to set up a so-called "China channel." They want to make use of this "black corridor" to transfer their drugs to Hong Kong and Macao, and then put them onto the international market. As a result, Yunnan, Guizhou, and Sichuan, which border the "Golden Triangle," have become component parts of the "black corridor."

Because of its unique geographical situation, Guizhou has become a key province in China where the number of drug offenses is secondary only to that in Yunnan. Liupanshui, a newly emerged industrial city, is particularly affected because it borders and has access to Yunnan. The provincial work conference on banning drugs held in April last year pointed out: "Of the five major channels for drugs in Guizhou, three are in Liupanshui."

Viewed historically, Liupanshui was an area severely afflicted by drugs. Before liberation, Langdai County (now Liuzhi special zone) was the main base in Guizhou for the production and marketing of opium. Almost all the dry land in the county was used to grow the opium poppy. In the urban areas, one person in four was a drug addict. In the drive to ban drugs waged before liberation, Shuicheng County arrested around 100 people involved in drugs, banned more than 30 opium houses, and confiscated around 200 smoking sets.

Because of its climatic and geographical situation, Liupanshui has once again become a place severely affected by drugs. According to incomplete statistics prepared by the city public security bureau last summer, there are around 5,400 drug addicts throughout the city, the eldest being 80 and the youngest 10. According to the officers at the grass-roots level police stations who know the inside story, this figure is far below the actual one. [passage omitted]

Ignominious Fate of Drug Traffickers

So long as there are drug addicts, there are drug traffickers.

With an annual volume of \$500 billion, the drugs trade has become the second largest in the world, second only to arms dealing.

As the law stipulates that drug offenses must be sternly punished, China metes out severe punishment to drug traffickers. Lured by exorbitant profits, however, some offenders are still willing to take the risk and are desperately engaged in trafficking drugs.

In 1986, Liupanshui cracked six drugs-trafficking cases, confiscated 9.84 kg of opium, and arrested 11 drug traffickers.

In 1990, the city cracked 52 drug-trafficking cases, confiscated 2,651 grams of heroin and 34.5 kg of opium, and arrested 66 drug traffickers.

From January to August 1991, the city cracked 44 drug-trafficking cases and confiscated 4,812 grams of heroin and 12.475 kg of opium.

Because of a lack of police manpower and backward equipment, the drug-trafficking cases cracked account for only 5 percent of those of which the public security organs are informed. In June last year, drugs trafficker Geng Mayi from Yunnan used a "Volga" car to deliver 80 kg of opium. When the car was passing through Panxian County, the public security police chased the car in a Beijing jeep. However, the offenders drove at full speed and made their getaway. The antidrugs personnel could do nothing but watch the drug traffickers escape before their eyes.

Viewed from the cases cracked, drug trafficking has developed from small to large amounts and from traveling around to trade on one's own to family and group trading. The drug traffickers are now making use of modern transportation and cunning means to engage in transnational and transprovincial drug trafficking. Moreover, women and children account for a considerable proportion of the drug traffickers. Because both his parents were arrested for drug trafficking, nine-year-old Chen Zuquan from Zhongshan district was not subject to discipline. Early last year, he followed the style of his parents and sneaked onto a train to Canyuan County, Yunnan. He purchased 1.5 kg of opium and was arrested by the public security organs on his way back to Shuicheng.

Drug trafficking activities have run wild and reached a dangerous extent. Unless arduous efforts are made to ban drugs, some people have predicted that China will have to face a second Opium War!

In June 1991, Yunnan's Kunming held a public meeting to pronounce death sentences on 14 serious drug traffickers. As a consequence, a protracted and large-scale battle against drugs started in China. Wherever there are drug traffickers, there will be the battlefield against drugs.

In the face of the turbulent drug trafficking current, Liupanshui's public security organs met the attack calmly. They surmounted numerous difficulties and launched battles against drugs.

Since 1986, the city public security organs have cracked over 170 drug-trafficking cases, arrested more than 200 drug traffickers, and confiscated over 140 kg of opium and 9,000 grams of heroin. Over the past three years, they have eradicated around 10 million opium poppy plants, which were the source of drugs. Last year alone they closed 116 opium houses, which to a certain extent curbed the spread of drugs.

It was September 1991 in Panxian, a small town in western Guizhou.

Carrying a black case and smoking a "Kent" brand cigarette, a wealthy "boss" followed two "sellers" to a

remote hotel. The three men, named Xie Zhengchun, Mao Chaozhong, and Liu Zhongxiang, were already under police surveillance.

After sharp bargaining in the hotel, the three men agreed to make a deal on the second day. All this was detected by the antidrugs personnel.

At 0900 on the second day, when the three men arrived at the place previously arranged to make the deal, some 20 antidrugs personnel immediately encircled the house. The three drug traffickers could do nothing but surrender. A total of 1,850 grams of heroin was confiscated on the spot.

One chilly day in late November last year.

In room No. 306 of the guesthouse of Liupanshui Post Office, a middle-aged peasant and a young peasant felt warm because of either fear or excitement.

They had received 250 grams of heroin from Yunnan the day before and were eager to sell it. If the "business" were smooth, they were thinking, they could make a big profit. However, they did not even realize that all their moves were being detected by the police.

There was a knock at the door at around 2300 and some policemen appeared before them. With their dream of making a fortune not yet over, Du Zhongyuan and Li Yulun were handcuffed.

The weather was cold and the ground was frozen in late January 1991. Many families started to purchase goods with which to spend a nice spring festival.

A privately owned truck loaded with vegetables left a place in Yunnan for Shuicheng. Ding Xirong, 46, a "woman boss" from Xiangyang South Road, Zhongshan district, was in the truck. In collaboration with Guangdong drug traffickers, she had taken 140,000 yuan to buy 4,417 grams of heroin from Yunnan. To evade examination by antidrugs personnel, she racked her brains, hid the heroin in the vegetables, and drove to Shuicheng.

When the Liupanshui public security bureau received information from the Kunming public security bureau, they immediately sent a police car to chase the truck.

A police car intercepted the truck. The 46-year-old "woman boss" turned pale in the face of the packets of heroin found in the vegetables. She realized that she was really in trouble.

The public security organs of Yunnan and Guizhou cooperated with each other in cracking an unprecedentedly large drug-trafficking case in Liupanshui and confiscating all the heroin and 90,000 yuan.

In socialist China, he who takes or traffics in drugs will come to no good end.

Tibet Economic Commission Stresses Reform

OW2206121592 Lhasa Tibet People's Radio Network in Mandarin 1425 GMT 21 June 92

[From the "Tibet News" program]

[Text] At a meeting of cadres with party membership on the morning of 20 June, the autonomous regional Planning and Economic Commission's leading party group urged all cadres with party membership to seize the opportune moment, steadfastly adhere to the central task of economic construction, further emancipate their minds, renew their concepts, act without inhibitions, and serve our region's program of reform and opening up.

At the 20 June meeting of cadres with party membership, Xiang Yang, secretary of the autonomous regional Planning and Economic Commission's leading party group and chairman of the commission, set the following three demands on the commission's cadres with party membership regarding thorough implementation by the commission of the guidelines of the autonomous regional party committee's work conference and the autonomous regional party congress:

First, all departments and cadres at all levels should keep pace with the evolving situation, change their concepts, streamline administration, and devolve power. They should strive to modify the functions of government departments by changing the leadership role and administrative management of the past into a guiding and service-oriented function.

Second, all departments should take their realities into account, conduct in-depth investigations and studies, and boldly explore reform programs. They should employ all means to motivate cadres, workers, and staff members; guide them to conscientiously step up reform; work regularly to discover and remove obstacles to reform in the course of performing their duties; and go all out to speed up our region's program of reform and opening up.

Second [as heard], they should conscientiously adapt to the new situation of reform and opening up, further strengthen party building in organizations, improve vocational standards, and help the autonomous regional party committee and people's government make policy on economic development strategy while serving economic construction throughout the region.

Tibetan Police Detachment Holds CPC Congress

OW2306041392 Lhasa Tibet Television Network in Mandarin 1200 GMT 22 Jun 92

[From the "Tibet News" program]

[Text] After fulfilling its agenda, the three-day first CPC congress of the first detachment of the Tibet Autonomous Regional People's Armed Police Corps successfully ended on the afternoon of 20 June. Deputy Secretaries Zhang Xuezhong and Danzim of the autonomous regional party committee; Zi Cheng, member of the autonomous regional party committee Standing Committee; and leaders from relevant departments and bureaus of the autonomous region and from the regional armed police corps attended the meeting.

Zhang Xuezhong delivered an important speech at the meeting. He said: Since the formation of the first detachment of the Tibet Autonomous Regional People's Armed Police Corps nine years ago, it has, under the correct leadership of higher levels, seriously implemented the line, principles, and policies of the party and upheld the party's basic line since the Third Plenary Session of the 11th CPC Central Committee. The officers and men are highly united with the party central committee in politics, ideology, and actions. Efforts were intensified to build the party organizations of troops and the ranks of cadres. The officers and men have reinforced their socialist beliefs, ensured the party's absolute leadership over the armed police units, and fulfilled in outstanding manner the various tasks that were focused mainly on implementation. In particular, they have achieved marked success in stabilizing the situation in Tibet.

Zhang Xuezhong called on the armed police units to make greater efforts to improve the leadership at all levels and to fully exert the core-leadership role of party committees, the bastion role of party branches, and the exemplary and leading role of party members. He also urged them to enhance the party's combat capability, continue to profoundly grasp the political education and ideological work of troops, ensure that all officers and men are forever politically qualified, ensure the high stability and unity of troops, uphold the principle of enforcing strict discipline in the armed police units, enhance their rapid deployment capability, and achieve new success in maintaining stability in Tibet.

Northwest Region

Reportage Views Activities of Qinghai Secretary

Lauds Counterfeit Commodity Exhibition

HK1706084292 Xining Qinghai People's Radio Network in Mandarin 2300 GMT 14 Jun 92

[Excerpts] A large number of counterfeit and poor-quality commodities were put on display in Xining yesterday. [passage omitted]

[Provincial party committee Secretary] Yin Kesheng, Tian Chengping, Lu Shengdao, La Bingli, and some other leaders went to view the exhibition early yesterday morning.

Yin Kesheng praised the exhibition as good, timely, and necessary. He said: To enable the broad masses of people to identify counterfeit and poor-quality commodities, it is necessary to hold more exhibitions like this. At present, we must strive to remove all counterfeit and poor-quality products from each and every market in Xining, make earnest efforts to protect the interests of consumers, and make the broad masses of the people feel at ease when purchasing things on the market.

It is learned that the struggle aimed at cracking down on the production and marketing of counterfeit and poor-quality commodities, which began more than 20 days ago, has scored remarkable results with Xining City, Haidong Prefecture, Germu City, and some autonomous prefectures, counties, and towns having already ferreted out, investigated, and removed from the market a large number of counterfeit and poor-quality commodities.

Inspects Minhe Experimental Zone

HK1906145292 Xining Qinghai People's Radio Network in Mandarin 2300 GMT 15 Jun 92

[Excerpt] This June marks the third anniversary of the establishment of the Minhe Hui-Tu Autonomous County Nationality Economic Reform Experimental Zone.

Provincial party committee Secretary Yin Kesheng visited a number of townships and towns in Minhe County where he conducted on-site investigation and study and inquired about the situation concerning both reform and development of the experimental zone.

After several days of investigation and study, Comrade Yin Kesheng pointed out: Over the past three years, the Minhe Experimental Zone has scored initial achievements. The leaders at all levels across the county have closely adhered to economic work as the center, developed circulation channels and township and town enterprises, as well as a processing industry on the basis of a large-scale agricultural development; and have been bold in practice, in taking risks, and in exploring a new road in tandem with local realities. As a result, the experimental zone has made much headway in development.

Yin Kesheng noted: Minhe County's practice tells us that the hope of Qinghai's economic rejuvenation lies in reform and exploitation. To further reform, we must continually emancipate the mind and try out new things. To push ahead with economic development, we must embark on exploitation and carry out exploitative production by suiting measures to local conditions. It is necessary to guide the masses to improve the existing market service system; carry out market building; develop a multilevel and multichannel nationality economy; educate and guide the masses to transform concepts, emancipate the mind, develop small industries, proceed from actual conditions, suit measures to local conditions, simultaneously build big and small industries, and apply both local and foreign exploitation strategies; and gradually turn the experimental zone into

an exploitation zone to develop production and raise efficiency. [passage omitted]

Attends Science Forum With Governor

HK1906095992 Xining Qinghai People's Radio Network in Mandarin 2300 GMT 15 Jun 92

[Excerpts] A provincial science and technology work conference was convened in Xining yesterday morning.

The conference was held to relay and implement the spirit of a recent national science and technology conference and discuss such issues as boosting provincial development by virtue of advanced science and technology, deepening science and technology structural reform, expediting scientific and technological undertakings development, and some other issues as well. [passage omitted]

The State Science and Technology Commission sent a congratulatory letter to the conference.

[Provincial party committee secretary] Yin Kesheng, Tian Chengping, Sang Jiejia, Yang Wenjing, and Wang Fuxiang attended the conference. Vice Governor Bainma Dandzin presided over the conference.

Jin Jipeng, provincial party committee deputy secretary and governor, delivered a speech at the conference.

After summing up the provincial scientific and technological work achievements and analyzing the current provincial scientific and technological work situation, Jin Jipeng pointed out: Reform and opening up have wrought profound changes in the provincial scientific and technological work. However, for various reasons, the work still falls far short of the requirements for attaining the second-stage strategic goal.

Jin Jipeng noted: Along with in-depth reform and opening up and accelerated economic growth, we must establish a guiding ideology that will enable us to attach growing importance to scientific and technological development as economic development accelerates to enhance determination in developing science, technology, and education and truly base economic construction on scientific and technological progress as well as qualitative improvement of labor.

Concerning future provincial scientific and technological work, Ji Jipeng stated: First and foremost, we must unswervingly implement a strategic principle of boosting the provincial development by dint of advanced science and technology. The guiding ideology for the provincial scientific and technological work in the 1990's can be boiled down to: conscientiously implementing and carrying out a principle of relying mainly on the existing provincial scientific and technological force; striving to meet the overall requirements on scaling new heights of science and technology; adhering to the party's basic line of one center, two basic points; deepening reform and

expanding opening up, as well as establishing and perfecting a vigorous operative mechanism promoting scientific and technological development, economic rejuvenation, and social progress; bringing into full play the role of scientific and technological personnel; speeding up scientific and technological achievements transformation; closely integrating science, technology, education, and economy; and opening up new vistas for rejuvenating Qinghai by virtue of advanced science and technology. The main scientific and technological work tasks are as follows:

1. To expeditiously organize and send scientific and technological personnel to the main economic construction battlefield;
2. To further develop agriculture and animal husbandry by dint of advanced science and technology;
3. To vigorously promote scientific and technological progress within enterprises;
4. To accelerate provincial resources exploitation;
5. To actively develop high and new technologies as well as relevant industries;
6. To redouble efforts to bolster such weak links as popularization, exploitation, importation, innovation, and development of science and technology with an eye on pushing the provincial economic development onto a new stage.

As regards reform and opening up currently under way in the provincial scientific and technological circles, Ji Jipeng held: The scientific and technological structural reform should mainly aim at closely integrating science and technology with economy. A crucial link in this connection is the promotion of both commercialization and industrialization of scientific and technological achievements. Thus scientific research departments at all levels across the province must carry out in-depth reform, speed up scientific and technological achievements transformation, deepen scientific and technological structural reform, make their work serve the main economic construction battlefield, bring into full play the role of scientific and technological personnel, and effect omnidirectional opening up. [passage omitted]

Qinghai Governor Inspects Transportation Company

HK1706084092 Xining Qinghai People's Radio Network in Mandarin 2300 GMT 14 Jun 92

[Excerpts] Provincial Governor Jin Jipeng recently pointed out: The communications and transportation enterprises across the province must grasp present excellent opportunities to seek transprovincial development and try to enter markets in both the hinterland and coastal areas.

Restricted by a variety of factors, Qinghai's transportation enterprises have been suffering from dwindling production, growing losses, and fund shortage in recent years. [passage omitted]

On 8 June, provincial Governor Jin Jipeng inspected Qinghai No. Five Automobile Transportation Company, one of the provincial enterprises selected for a change of operative mechanism on a trial basis. Ji Jipeng said: Communications and transportation enterprises should reform labor, personnel, and distribution systems in a down-to-earth manner. With regard to the distribution system, it is imperative to link wages with economic results, work quality, and work attitude and implement a second-distribution system to embody the principle of distribution according to work. The communications and transportation enterprises must think out ways to open up transprovincial markets, improve service methods, closely combine transportation production scope expansion with diversified internal operation, and increase income while consolidating the existing provincial market.

Shaanxi Secretary Views Economic Development

HK1606063992 Xian Shaanxi People's Radio Network in Mandarin 0030 GMT 13 Jun 92

[Excerpts] Yesterday, provincial party committee Secretary Zhang Boxing held talks with persons in charge of the provincial press circles.

During the talks, Zhang Boxing called on the whole province to make full use of the remaining eight years of this century, which is a precious period, to vigorously push ahead with reform and opening up, quicken the pace of economic construction, and push Shaanxi's economic development onto a new stage.

On how to study and comprehend both spirit and essence of Comrade Deng Xiaoping's important speeches, Comrade Zhang Boxing stated: We must first and foremost cultivate and strengthen a concept of center, unswervingly implement the party's basic line, and wholeheartedly adhere to economic construction as the center. To this end, Communist Party members, cadres, and masses across the province must always adhere to economic construction as the center. Second, we must further emancipate the mind, bravely forge ahead, blaze new trails, and carry out more explorations, resolutely smash the trammels of the left ideology as well as the ideology of a small-scale peasant economy, oppose book worship and rigid rules and regulations, proceed from actual conditions, and quicken the pace of Shaanxi's economic construction, reform, and opening up. Third, we must be bold in exploring a new road leading to a faster economic growth in light of the local realities. [passage omitted]

Comrade Zhang Boxing also called on all prefectures, counties, and cities, all provincial-level professional departments, and all large and medium enterprises

across the province to proceed from the actual conditions, mobilize the masses to discuss and formulate at an earlier date plans aimed at pushing the local economic development onto a new stage and bringing about a comfortably well-off livelihood for the local people.

Comrade Zhang Boxing maintained: We must brace up and strengthen confidence in promoting Shaanxi's economic development, fear no difficulties, overcome pessimism, and fully comprehend and bring into play all local superiorities. [passage omitted]

Comrade Zhang Boxing noted: To fulfill the provincial Eighth Five-Year Plan and 10-Year Program ahead of schedule, the provincial authorities will mainly concentrate efforts on accomplishing the following major tasks, which bear heavily on the overall provincial situation:

1. To speed up large-scale infrastructural facilities building, expedite investment environment improvement, and lay a solid foundation for a future economic takeoff;
2. To concentrate on building key technological renovation projects and foster and develop key industries and pillar products;
3. To expand avenues through which to absorb foreign funds and make further progress in opening up to the outside world; [passage omitted]
4. To strengthen determination in invigorating state-run large and medium enterprises;
5. To successfully build a high-grade precision technology development belt in central Shaanxi, formulate and promulgate concrete preferential policies, and successfully build a high-grade precision technology development zone; [passage omitted]
6. To successfully build 15 agricultural products production bases, redouble efforts to develop township and town enterprises, and increase peasants' income.

Comrade Zhang Boxing emphatically pointed out: Cadres are the key to a faster economic growth. We must be determined to train, select, and promote a large batch of cadres with a pioneering spirit, who are capable of exercising leadership in reform and opening up. [passage omitted]

Comrade Zhang Boxing time and again called for further emancipating the mind and delegating powers to lower levels. He asserted: To mobilize the enthusiasm of all parties concerned, we must boldly delegate powers to the lower levels as soon as possible. The existing provincial-level powers regarding economic management, such as those concerning investment in fixed assets, projects absorbing direct foreign investment, labor wages, land management, and industrial and commercial product prices, should be in principle delegated to an immediate lower level.

Shaanxi Body Supports 'Spirit' of Deng Speeches

HK1706084292 Xian Shaanxi People's Radio
Network in Mandarin 0030 GMT 14 Jun 92

[Text] Yesterday, the provincial party committee leading group in charge of urban socialist ideological education experiments issued a circular, calling for conscientiously implementing the spirit of Comrade Deng Xiaoping's important speeches as well as the spirit of a series of central documents concerned.

The circular pointed out: Early this year, Comrade Deng Xiaoping made important speeches on such issues as unswervingly implementing and carrying out the party's basic line; persistently taking a socialist road with salient Chinese characteristics; grasping current excellent opportunities to quicken the pace of reform and opening up; concentrating on promoting economic construction; and some other important issues. His speeches have served as a powerful ideological weapon with which we have carried out socialist ideological education in the urban areas.

The circular stated: In carrying out socialist ideological education in the urban areas, it is imperative to concentrate on conducting in-depth education on both theory and line of building socialism with salient Chinese characteristics among the broad masses of cadres, party members, and people to rectify leading bodies, ideology, style, discipline, production order, work order, ideological and cultural fronts, and social order on the basis of relevant studies and education. To this end, leading institutions in charge of urban socialist ideological education and units undertaking urban socialist ideological education experiments at all levels across the province must conscientiously implement and carry out the spirit of Comrade Deng Xiaoping's speeches, take forceful measures to ban formalism, continually engage in less empty talk and take more practical actions, make earnest efforts to tackle problems causing strong resentment among the masses, as well as problems hampering reform and development in a particular area or unit concerned, and strive to lay a solid ideological foundation upon which various provincial undertakings can achieve faster development.

Mainland Scientists Return Home From Taiwan

*OW1906153692 Beijing XINHUA in English
1408 GMT 19 Jun 92*

[Text] Beijing, June 19 (XINHUA)—The first group of Mainland Chinese scientists to visit Taiwan returned to Beijing today after an eight-day visit to the island province.

One of the group, Prof. [Professor] Zhang Cunhao, said that the visit marked a breakthrough in scientific exchanges between China's mainland and Taiwan after 40 years of separation.

Another member, Prof. Wu Jieping, said that it is the desire of scientists on both China's Mainland and Taiwan to strengthen exchanges and to make greater efforts for the reunification and development of the country.

Taiwan Press Coverage of Scientists' Trip Viewed

*OW2106133892 Beijing XINHUA Domestic Service
in Chinese 0515 GMT 21 June 92*

[By reporter Duanmu Laidi (4551 2606 0171 1229)]

[Text] Beijing, 21 June (XINHUA)—Though mainland scientists have returned to Beijing and Shanghai from their Taiwan trip, the Taiwan media is still giving extensive play to the event in what appears to be endless reporting on the trip.

Conveying the parting words of mainland scientists, Taiwan newspapers exclaim: "Taiwan and the mainland should join hands in the face of competition during the 21st century." Taiwan's "Academia Sinica" held a summarization forum on the trip on 16 June. The seven mainland scientists spoke freely on their views, discussing the gains they had derived from their nine-day trip. They noted: Taiwan has a strong industrial development capacity. In particular, its microelectronics industry has developed swiftly and yielded brilliant results. The mainland, with its vast pool of skilled personnel, is a leader in basic sciences. Chinese on both sides of the Taiwan Strait should jointly develop China so that the Chinese nation can compete in the world during the 21st century. They suggested cross-strait exchanges of personnel and academic materials as the first step toward attaining this goal.

Elaborately portraying the parting sentiments of scientists on the two sides, the Taiwan press proclaims: "When we came here, we were delighted to meet each other. When it is time to leave, we feel reluctant to bid each other farewell." Eighty-three-year-old Professor Tan Jiazen said: The past several days have been the most exciting in my life. When he was invited to visit Taiwan two years ago, he was stranded in Hong Kong because of obstruction by Taiwan authorities. He was very emotional when he set foot on the beautiful island this time around. Over 40 years of separation have failed to sever the bonds between people across the Taiwan Strait. The scientists and their Taiwan hosts deplored

their belated encounter and agonized over their parting. Professor Shen Junshan [Shen Chun-shan] of Taiwan, who accompanied the mainland scientists during the entire trip, said that cross-strait exchanges had not arisen as a "natural course of events," but had resulted from the efforts of many people working to make such exchanges "plain sailing. He used a verse by Zhu Xi [a great scholar of the Song Dynasty] to describe the situation, saying: "How could there be plain sailing had there not been a driving force in the first place?" Mainland scientist Zhang Cunhao quoted a verse from the Tang Dynasty—"A heart like a clear ice cube in a jade kettle"—to depict the bonds across the Taiwan Strait that show that blood is thicker than water. Chinese on both sides have "a heart like a clear ice cube," which is housed in the "jade kettle" of the Chinese nation.

The Taiwan press has given an exhaustive description of the moving scenes in which scientists from both sides of the Taiwan Strait expressed their deep affection at the return banquet hosted by the mainland scientists. "At the burst of applause, I know in my heart that the song fuses our love." As he mounted the podium to speak, Jiang Weiguo [Chiang Wei-kuo] soulfully broke into song to express his feelings. "Thousands of words were transformed into a short song" to the accompaniment of hand claps. Amid the song and applause, scholars from the two sides wished each other well and bade each other farewell.

TAIWAN XINSHENG BAO [TAIWAN HSIN SHENG PAO], in an editorial entitled "We Hope for A Good Start After the Return of the Mainland Scholars," described the common wishes of scholars on both sides. Professor Wu Dayou [Wu Ta-yu], who invited the mainland scientists to Taiwan, reportedly said: "Inviting the mainland scholars to visit is only the beginning of such exchanges. The two sides should develop long-term cooperation plans for true academic exchanges and scientific and technological cooperation in the future." The mainland scientists said: "Our visit to Taiwan is a good start for cross-strait exchanges. It can lay the foundation for various exchanges in the future." Zhao Yaodong [Chao Yao-tung], "national policy adviser to the Presidential Office" of Taiwan who recently visited the mainland, said: The mainland scholars felt the same way as I had during my visit to Mainland China. "The two sides should increase exchanges in order to win respect and status for the Chinese people. Though the prospects may not necessarily be bright, we can definitely open up a path for the Chinese people if we are patient and confident."

LIAOWANG Discusses Peaceful Reunification

*HK1406010692 Hong Kong LIAOWANG OVERSEAS
EDITION in Chinese No 23, 8 Jun 92 p 21*

[Article by Wei Daye (7614 1129 2814): "Great Cause of Peaceful Reunification Should Not Be Regarded as a Deal"]

[Text] We know that Taiwan's export-oriented processing economy and commodity economy are comparatively prosperous. Everything is fundamentally carried on in accordance with the law and mode of operation of the capitalist social commodity economy and this is originally beyond reproach. However, Taiwan authorities are now mechanically copying and indiscriminately applying the complete set of laws and modes of operation of capitalist society's commodity economy without change in dealing with the relations between the two sides of the straits and with the great cause of peaceful reunification. Its words and deeds in recent years can roughly be summarized in the following several characteristics:

1. Importance is attached to "advertisement." It remains fresh in people's memory that on 8 July last year, the Taiwan "Executive Yuan Information Bureau" published an advertisement in THE NEW YORK TIMES, clearly and definitely announcing willingness to accept "dual recognition" for the first time. A few days later, "Foreign Minister" Chien Fu stated that the wording of this advertisement published by Taiwan "Information Bureau" in the United States "tallied with what was actually being done at present" by the authorities. The advertisement was virtually a type of propaganda and through its advertisement the Taiwan authorities publicized their policies toward and views on cross-strait relations. One may well say that this smacked much of commercialization.

2. "Packaging" is stressed. The "state reunification program" adopted by the Taiwan "State Reunification Committee" on 22 February last year states: In reunification, the two sides of the straits should take "reciprocity" as a principle, "do not deny the opposite side as a political entity in the course of mutual benefit," and "must respect each other and not exclude each other internationally." The program has also jugged some things in the reunification procedure. Even some people on Taiwan Island say: This is the stuff of "two Chinas" or "one China, one Taiwan" elaborately packaged under the pretext of "one China." People with a discerning eye can easily realize what is behind it.

3. "Money" is put above everything else. Some Taiwan authorities do not look at the aggregate national strength or the situation of basic industries, nor do they look at the tremendous changes since the mainland carried on reform and opening up and the great potential in economic development but only stress the current per capita "national income." They babble that there is "an excessively big gap" between the per capita incomes of the mainland and Taiwan and that reunification is of no benefit to the people of Taiwan. Some people even distort CPC policies and think that after reunification, the Taiwan's "property" "will be shared" with the mainland. They even up the per capita income of the two sides of the straits and use this to prove the harm to the Taiwan people after reunification.

4. It is "equal exchange." Some Taiwan high-level people advocate that Taiwan's "three no's" (referring to no

contact, no talks, no political compromise) should be exchanged for the mainland's "four no's" (referring to "four adherences" not to be carried out on the mainland by the CPC); some people insist that Taiwan should exchange direct "three exchanges" for the mainland's promise "not to use force against Taiwan" and to allow Taiwan "a space for development and subsistence internationally." In the latest period, the Taiwan authorities again attempted to exchange "recognition of the PRC as a political entity" for the mainland's "recognition the 'Republic of China' as a political entity." They virtually want the mainland to barter away principles.

The aforementioned factors are an obstacle to the development of cross-strait relations. The law and form of operation of the capitalist commodity economy go so far as to infiltrate the superstructure of the Taiwan community and cross-strait relations. The law of the capitalist commodity economy and its operation are, in the final analysis, merely a principle of profits and everything is done for the commercial profits or interests of a small number of people and not for the overall interests of all people. The so-called "equal exchange" actually is not genuine equal value but the payment of the minimum price in exchange for the maximum profit. Where does an exchanger's commercial profit come from if it is genuine equal exchange? Such a law and form of operation can be applied in the current realm of the commodity economy but absolutely cannot be lightly applied in the political realm, particularly in the cross-strait relations and the great cause of our motherland's reunification; otherwise, there will be endless disasters. It is not hard to imagine that should the CPC agree with the Taiwan authorities on exchange under the conditions the latter proposed, what the former would get after exchange would be nothing but the long-term and legalized state of separation of the two sides of the straits, which ultimately might possibly lead to the danger of Taiwan being carved off from the large family of our motherland. This is all that certain foreign aggressive forces could wish for.

Not only will the CPC, the people on the mainland, Hong Kong and Macao compatriots, and Overseas Chinese abroad not agree on such an exchange, but also the patriotic Taiwan compatriots on Taiwan Island and all people with intuitive knowledge of patriotism of the ruling Kuomintang or the other political parties and organizations will absolutely not agree to such an exchange after they really know that by doing so, consequences will possibly be brought about.

The great cause of our motherland's reunification is absolutely not a deal. It is a matter of prime importance which has a bearing on the existence and development of the whole Chinese nation and on its long-term and overall interests. Should there be no reunification, unity, or development of all of China and the Chinese nation, we could hardly rank in the family of nations and cope with all sorts of future challenges. Those on the two sides of the straits are Chinese people and are facing the historical tasks of developing the economy, forging

ahead into the future, and invigorating China. Why must we separate each other, be antagonistic to each other, and counteract each other's strengths? Moreover, further improving the relations between the two sides of the straits and even achieving reunification will not only not affect the development of their own commodity economy but also will be conducive to and accelerate such development; the people's living standard not only will not drop but it will also be beneficial to its greater improvement. Under the present conditions and for a fairly long time to come, the mainland's socialism and Taiwan's capitalism will possess their own characteristics, be compatible with each other, learn from each other's strong points and offset each other's weaknesses, and become prosperous together. Neither the mainland or Taiwan will eat up or replace the other. We are all

Chinese people and one side cannot show disdain for the other because of its richness while the other also cannot bully the weak because it is strong. Commodity economy development is always uneven among regions, enterprises, and people. The mainland will never "share" the Taiwan's "property," nor must Taiwan think that certain economic indicators which take the lead for a while will remain unchanged forever. We must be a bit farsighted and attach slightly more importance to the interests of the whole Chinese nation.

In brief, the great cause of our motherland's reunification is not a deal. Time and tide wait for no man and we must not be overanxious, nor must we procrastinate. It is hoped that the Taiwan authorities will carefully consider and solemnly and seriously deal with it.

Taipei Radio Views CPC Document No 5

OW2206134792 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 21 June 92

[From the "Hookup" program]

[Text] According to LIEN HO PAO, the CPC Central Committee recently issued Central Document No. 5 to various localities regarding its decision to vigorously develop tertiary industry. Some people in Peking economic circles point to the significance of using a rubricated CPC Central Committee document to promote the policy of developing the tertiary industry. Until recent years, Communist China was still limiting the use of CPC Central Committee documents to transmitting agricultural policies.

According to a source close to high-ranking Communist Chinese officials, the CPC Central Committee spells out in Document No. 5 four key areas in which Communist China will develop the tertiary industry in the future.

People who conduct economic and trade exchanges with Taiwan said: Communist China's decision will certainly provide more opportunities for cross-strait economic and trade cooperation. There are broad prospects for developing tertiary industry in Communist China, considering the large number of projects that can be launched in this regard. It is hoped that Taiwan businessmen will capitalize upon opportunities by beating their counterparts in Japan, the United States, and other Western countries in making rapid inroads into the mainland's tertiary industry.

Government To Ease Restrictions on Dissidents

OW2306084392 Taipei CNA in English 0755 GMT 23 Jun 92

[Text] Taipei, June 23 (CNA)—Top Kuomintang (KMT) leaders in the executive and legislative branches of the central government decided Monday to ease the restrictions on entry permit for dissidents, said Wang Ching-ping, a KMT leader at the Legislative Yuan.

They decided that entry permits may be issued to those dissidents who have legally resided in Taiwan before and have never been a legal resident of Communist China, if they have not been involved in terrorist activities or other violent crimes.

The decision will be incorporated into the National Security Law, which is being revised by the Legislative Yuan, he said.

Dissidents who engage in anti-government advocacy without taking violent anti-government actions will no longer be barred from returning to Taiwan.

MAC To View Mainland Service Sector Investment

OW2206152592 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 21 June 92

[From the "Hookup" program]

[Text] At a meeting scheduled for today, the Mainland Affairs Council [MAC] of the Executive Yuan will adopt a list of investment projects to be launched in Mainland China by service industries. In addition, it will also discuss the newly revised gist of operations regarding participation by mainland scientific and technological personnel in Taiwan's research and development projects during the present stage of relations.

According to the operational gist, the scope of scientific and technological personnel to be invited to Taiwan will be extended to all of Mainland China. Personnel specializing in the humanities and social sciences will also be invited.

At its 21st meeting today, MAC will adopt a list of indirect investment projects to be launched in Mainland China by service industries, discuss the operational gist regarding participation by mainland scientific and technological personnel in Taiwan's research and development projects, revise the operational gist regarding fact-finding trips and visits to Taiwan by mainland personnel during the present stage of relations, and review the operational gist for handling mainland-related matters during the present stage of relations.

MAC officials said: For a long time, we have been deliberating measures for relaxing controls on visits by mainland scientific and technological personnel. Implementing these measures will have an immediate and far-reaching impact upon cross-strait relations.

The officials said: The most significant aspect of the measures is the inclusion of personnel specializing in humanities and social sciences. This shows our sincerity in expanding two-way academic exchanges across the strait.

Premier Hao Says Not To Ignore Mainland Reforms

OW2306081092 Taipei CNA in English 0740 GMT 23 Jun 92

[Text] Taipei, June 23 (CNA)—Premier Hao Po-tsun Monday advised local businessmen and workers not to ignore Mainland China's economic development, otherwise they may be quickly surpassed by the mainlanders.

Though political totalitarianism remains in force on the mainland, the communist regime has made every effort to reform the economy, Hao said in a seminar.

"We must never neglect the mainland's economic development" if Taiwan wants to keep its competitive edge in the international markets, he told the Council of Labor seminar.

The premier observed that Japan has been an economic giant not only because of its advanced technology and market information, but also because of the work ethics of its business community.

He reminded the people here of the importance of keeping the virtue of diligence even after the nation's per capita income reaches US\$10,000 by the end of this year.

"We have no reason to be excited by the expected income level, since it will still be less than half of Japan's," he said.

Harmonious management-labor relations remain the key to economic development, Hao said.

Both employers and employees should "know their share of responsibility" and do their respective jobs well, he added.

Official on Greater OECD Economic Ties

*OW2306101692 Taipei Voice of Free China
in English 0200 GMT 23 June 92*

[From the "News" program]

[Text] According to (Chien Mu-chai), director of the Monetary Affairs Bureau, the ROC [Republic of China] will step up its economic dealings and trade with member nations of the Organization for Economic Cooperation and Development [OECD].

(Chien) attended an informal seminar held by the OECD in Paris recently.

OECD member nations, such as the United States, Canada, and the 12 members of the EC, are the ROC's most important trading partners as well as its most important sources of foreign exchange, (Chien) noted.

Of the 72 branches established in the ROC by foreign banks, 61 were set up by banks based in OECD member countries. On the other hand, 35 out of 48 overseas branches set up by ROC banks are found in OECD member countries.

The total volume of ROC-OECD, two-way trade increased to \$94.5 billion last year from \$27.4 billion in 1982. Although ties between the ROC and OECD have become very close, several economic and noneconomic barriers are keeping these ties from developing further. Nevertheless, economic relations and trade between the ROC and OECD will continue to grow in the future, (Chien) said.

Senior Russian Military Officers Arrive for Visit

*OW2306081292 Taipei CNA in English
0736 GMT 23 Jun 92*

[Text] Taipei, June 23 (CNA)—Four Russian dignitaries, including two senior navy officers, arrived in Taipei Monday night for a seven-day visit at the invitation of the society for strategic studies.

Admiral Vladimir Sidorov, Rear Admiral Anatoliy Shtyrov, and two other Russian visitors were greeted at the airport by the society's chairman Wego Chiang.

Sidorov agreed with Chiang that democracy is the current of the time, and he stressed that Russia will follow the trend in its political development.

Sidorov said he had long wanted to visit the Republic of China [ROC] whose economic development he admires very much.

Chiang would not comment on whether the two Russian officers will discuss military cooperation with their ROC counterparts.

John Chang, vice foreign minister, said Russian dignitaries' visit will help improve mutual understanding between the two countries.

Legislator Lin Chih-chia urged the government to take the opportunity to discuss the possibility of buying Russian weapons.

The government should also study the feasibility of establishing diplomatic relations with Russia, Lin said in an interpellation.

The lawmaker observed that official ties between the Republic of China and Russia will be set up sooner or later.

"The government should take the initiative toward that goal, in disregard of Peking's possible response," he added.

Vice Foreign Minister Meets Byelarus Official

*OW2306082792 Taipei CNA in English
0744 GMT 23 Jun 92*

[Text] Taipei, June 23 (CNA)—Nikolay Stepanenko, first deputy health minister of Byelarus, met with Vice Foreign Minister John Chang Monday to exchange views on how to strengthen relations between the two countries.

Stepanenko, on behalf of his country, will receive US\$500,000 worth of medical supplies from the ROC [republic of China] government in a ceremony to be held here on June 26.

The ROC government, based on humanitarian principles, has promised to donate to Byelarus US\$500,000 in cash and US\$500,000 in medical supplies.

During his stay, Stepanenko will visit national Taiwan University Hospital, the veterans general hospital and a few pharmaceutical factories in Taiwan. He is scheduled to leave on June 27.

Economics Ministry Sponsors Investment Seminars

OW2206140892 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 21 June 92

[Text] In Taiwan, 12 serialized seminars of local businessmen held by the Ministry of Economic Affairs [MOEA] are scheduled to end in mid-July.

Vice Economic Minister (Yang Shih-chen) said: The MOEA will present to the Executive Yuan an interim plan for aggressively promoting investment in local capital- and technology-intensive industries. To ensure the continuing development of cross-strait economic and trade relations, the MOEA will work out forward-looking plans according to the general principle of reunifying the country. Investment will be made in such a way as to capture market share instead of cutting costs.

(Yang Shih-chen) said: In the past, Taiwan did a good job of developing technology-intensive industries that did not require huge capital input. It failed to develop both technology- and capital-intensive industries mainly because private businessmen, held back by the prospect of slow returns, were reluctant to invest more money. The government also failed to guide investment activity toward privatizing state enterprises.

He said: The 12 serialized seminars of local businessmen held under MOEA auspices will greatly help us understand the needs of the business sector. After the seminars end in mid-July, the MOEA will develop more forward-looking plans regarding local investment and cross-strait economic relations and trade. The plans will be worked out according to the general principle of reunifying the country and on the basis of developing mutually beneficial, mutually supplemental, secure, stable, and mutually supporting relations.

Financial Liberalization Said 'Bearing Fruit'

OW2306084092 Taipei CNA in English 0747 GMT 23 Jun 92

[Text] Taipei, June 23 (CNA)—The government policy to promote financial liberalization is bearing fruit in Taiwan, the chief of the central bank said Monday.

Governor Samuel Shieh of the Central Bank of China (CBC) made the remarks while speaking at the "conference of law and practice in international banking" jointly sponsored by Soochow University and the Center for Commercial Studies, Queen Mary & Westfield College, University of London.

The financial liberalization policy has led to the lifting of controls on interest rates, foreign exchange rates, and international financial flows, the governor pointed out. It has also eased restrictions on the establishment of private banks and insurance companies.

All the developments are conducive to free competition and improvement of business administration in Taiwan's financial sector, he said.

Agents Discover 1st Container Ship With Heroin

OW2006081392 Taipei CNA in English 0742 GMT 20 Jun 92

[Text] Taipei, June 20 (CNA)—Investigative agents confiscated three kilograms of heroin, worth NT\$10 [new Taiwan dollars] million (U.S.\$400,000), from a Thailand-registered container ship in Kaohsiung, southern Taiwan Friday.

The Bureau of Investigation's Kaohsiung port branch said that they had tracked down "a certain person" in connection with the smuggling case.

The drug was uncovered while the Chaiya Bhum, which arrived in Kaohsiung to unload Wednesday, was anchoring at Wharf No. 117. The freighter was scheduled to leave for Hong Kong yesterday.

Investigative officers said it was the first time a container ship has been found smuggling heroin. They suspect that drug trafficking rings in Thailand and Taiwan might be behind the smuggling attempt.

Hong Kong

'War of Words' Escalates With Mainland

HK2206025092 Hong Kong SOUTH CHINA MORNING POST in English 22 Jun 92 p 1

[By Doreen Cheung]

[Text] United Democrats chairman Mr Martin Lee Chuming yesterday accused China of interfering in local affairs without good reason.

He was responding to claims made by a senior Chinese official last week that United Democrats should be barred from the Executive Council [Exco].

Mr Guo Fengmin, Chinese team leader on the Sino-British Joint Liaison Group (JLG), also said Beijing should be consulted on Exco's membership.

Mr Lee's comments came as the war of words with China escalated last night with Hong Kong attacked for its "Rolls-Royce" way of repatriating Vietnamese boat people.

A signed article in a Hong Kong China News Agency [ZHONGGUO TONGXUN SHE] despatch said it was worry [as published] that \$1 million [Hong Kong dollars] was spent on sending back only 38 Vietnamese on Friday [19 June].

"Should the Hong Kong Government continue to use such a 'Rolls-Royce' way of repatriating boat people, the expenses would be alarming and would represent a heavy burden for the Hong Kong people," the article said.

It said it would cause concern if Hong Kong were to support such expensive undertaking on a long-term basis, even though the cost was to be split between Hong Kong and Britain.

"The Government should study carefully if another mode of transportation can be used to assuage the concern of the public," it said.

Mr Lee said the power to appoint Exco members was entirely the prerogative of the Governor before 1997. Even after the handover, Beijing would not have that power, he claimed, saying it would be in the hands of the Special Administrative Region government's chief executive.

He believed the latest dispute was caused by the fact that Britain had not bowed to Beijing's interference on Exco appointments as it had compromised on previous matters.

Mr Lee's comment came after the British minister with special responsibility for Hong Kong, Mr Alastair Goodlad, had protested to Chinese Ambassador Mr Ma Yuzhen that Mr Guo's remark was unacceptable and inconsistent with the role of the JLG.

Mr Lee declined to say whether the British Government should toughen its stance still further on the Exco issue,

but added that it was outside the jurisdiction of the JLG, and therefore Mr Guo, to discuss Exco appointments.

Meanwhile, pro-China legislator Mr Tam Yiu-chung defended Beijing's stance, saying it had not been Mr Guo's intention to upset Hong Kong.

He nevertheless believed the current practice of Exco appointments would not be subject to great changes and the principle of confidentiality would be maintained.

Repatriation of Vietnamese Refugees Seen as Costly

HK2206042092 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1133 GMT 21 Jun 92

[“Special feature” by Xin Wen (2500 2429): “Hong Kong Government Should Study How To Reduce Expenses for Repatriating Vietnamese Boat People”]

[Text] Hong Kong, 21 Jun (ZHONGGUO TONGXUN SHE)—Last Friday (19 June) the Hong Kong Government smoothly carried out the “orderly repatriation” for 38 Vietnamese boat people long stranded in Hong Kong, thus taking a big step in thoroughly resolving the burden the Vietnamese boat people have caused on Hong Kong. However, each “orderly repatriation move” costs 1 million [Hong Kong] dollars. People are worried whether or not this huge amount will constitute another Hong Kong “Rolls-Royce-type” expenditure. The Hong Kong Government should really consider how to reduce repatriation expenses so that the “orderly repatriation” program will proceed under a rational expenditure principle.

The implementation of the “orderly repatriation” program by the Hong Kong Government last Friday involved 38 Vietnamese boat people long stranded in Hong Kong. This was the first “orderly repatriation” since Britain and Vietnam further concluded a repatriation agreement on 12 May this year and also the fourth “orderly repatriation” since Britain and Vietnam signed an orderly repatriation agreement on 29 October last year. In the previous three “orderly repatriation” moves, a total of 123 Vietnamese boat people were repatriated, each repatriation costing HK\$1 million, equally shared by the British and Hong Kong Governments.

The four orderly repatriation moves involving 161 people have cost HK\$4 million, the per capita expense being HK\$25,000. Whereas the number of Vietnamese boat people stranded in Hong Kong is over 50,000 now. If the Hong Kong Government continues to take this “Rolls-Royce-type” repatriation method to repatriate the boat people, the expenditure amount will be astonishing and will become a heavy burden on the Hong Kong people.

As learned, in spending this huge amount, the Hong Kong Government has to pay some necessary expenses for the boat people; apart from this, transportation facilities are the crux of the people. Using planes for repatriation, only an average of 40 people can be transported each time. Is this expenditure reasonable? The

relevant Hong Kong Government department explained that because the current repatriation is of a "nonvoluntary nature," some repatriated boat people are expected to resist during repatriation. If other transportation facilities are used, it will be comparatively difficult for the Hong Kong Government to perform security work. Therefore, for the time being they will not consider using ships or buses as transportation facilities for repatriation.

Hong Kong has shouldered the burden of the Vietnamese boat people for 17 years, with a huge expenditure spent on them. Calculated from 1979, the Hong Kong Government has spent HK\$4.12 billion on the Vietnamese boat people. The repatriation agreement signed between Britain and Vietnam is a big step in resolving Hong Kong's Vietnamese boat people issue. Although the repatriation expenses are commonly shared by Britain and Hong Kong, it will be worrying if the Hong Kong people are required to pay these huge expenses for a long time. The Hong Kong Government should make a careful study and consider whether other transportation facilities can be used, to resolve the people's worries.

Paper Urges Goodlad To Review Joint Declaration

HK2206135592 Hong Kong WEN WEI PO
in Chinese 22 Jun 92 p 12

[("Special article" by Hua Ke (5478 2047): "Goodlad, Please Review Sino-British Joint Declaration"]

[Text] According to a London source, Goodlad, the British Foreign Office minister with special responsibility for Hong Kong, met with China's ambassador to Britain to express his disagreement with the remarks by Guo Fengmin, Chinese team leader on the Sino-British Joint Liaison Group [JLG], at the news conference recently held in Beijing on the issue of Hong Kong Executive Council [Exco] membership, requesting clarification. Goodlad said it was the Hong Kong governor and British Foreign Ministry's right to appoint Exco members and that the JLG was not responsible for the administration of Hong Kong; neither had it the right to supervise Hong Kong's administration. The word "protest" was even used in some reports. If what the reports said was true, then, Goodlad was really very overbearing. It is a pity that by taking such an attitude he has gained nothing and, to the contrary, he has merely exposed his meager knowledge, or even ignorance, of Hong Kong affairs.

Since the Sino-British Joint declaration was signed and officially came into effect, Hong Kong has entered the transitional period. What does the transitional period mean? It means the transition from the previous British colonial rule over Hong Kong to the handover of Hong Kong to China. The principal tasks of Hong Kong during the transitional period are continuing to maintain social stability and economic prosperity and handling the relevant handover affairs properly to ensure a smooth transfer on 1 July 1997. Taking an overall view of the

joint declaration's contents, we can see that properly handling these two tasks is underscored.

Since entering the transitional period, there have been a number of controversies between China and Britain, attributed to the British attempt to deviate from the joint declaration's guidelines and Chinese efforts to argue on just grounds so that the joint declaration can be correctly implemented. More than seven years have passed since the transitional period began and, by and large, the joint declaration has been well carried out even though it has experienced various kinds of trials and hardships. This is the result of endeavors by both sides. Now that there are only five years before 1997, people have every reason to expect that China and Britain will cooperate still more closely in a bid to conduct the preparatory work for the transition, in a better and faster way, to facilitate the smooth transfer of power in the future.

The British side also bears important responsibility for the smooth handling of the transition work. Clause 4 of the joint declaration clearly states that "The PRC and UK Governments declare: During the transitional period, from the date on which this joint declaration takes effect to 30 June 1997, the UK shall be responsible for Hong Kong's administration with a view to safeguarding and maintaining Hong Kong's economic prosperity and social stability; to this, the PRC Government shall give its full support." The meaning has been clearly expressed in this clause. During the transitional period, the administration of Hong Kong by the British Government should be aimed at safeguarding and maintaining the economic prosperity and social stability in Hong Kong. Anywhere Britain needs China's cooperation to achieve this aim in terms of administration will certainly be forthcoming.

The Exco is an important advisory body for the Hong Kong Governor in exercising his administrative power, and its members have a considerable influence on the governor's administrative policy decisions. Thus, it is proper that only those who can correctly implement the joint declaration and work toward safeguarding Hong Kong's prosperity and stability be appointed to Exco. Otherwise, the Hong Kong Government's administrative policy decisions are bound to deviate from the orbit of the joint declaration and hamper Hong Kong's stability. Guo Fengmin said: "It is detrimental to Hong Kong's stability to let those who are opposed to the Basic Law and openly advocate subverting the legitimate Chinese Government, enter the Exco." As a member of the JLG, Guo's remarks at such a time were well grounded and it was his duty to make them.

Appendix Two of the joint declaration stipulates that it is the JLG's responsibility to ensure the effective execution of the joint declaration so as to guarantee the smooth transfer of state power in 1997. As the Chinese JLG team leader, he must seriously express his attitude on things which may infringe on correct implementation of the joint declaration. If the British Government really and truly takes implementation of the joint declaration

and the maintenance of Hong Kong's prosperity and stability as its own responsibility, it will not then raise an objection to Guo Fengmin's remarks. Instead, it will give conscientious consideration to them. Goodlad has now approached the Chinese ambassador to make representations [ti chu jiao she 2251 0427 0074 3195], so people cannot help but ask: Does the British Government really want to appoint those who are opposed to the Basic Law and publicly advocate subverting the legitimate government of China to the Exco? Is it really conducive to friendly cooperation between China and Britain, or to Hong Kong's social stability, to let these people participate in making important policy decisions for the Hong Kong Government?

During his visit to Hong Kong, Mr. Goodlad brazenly supported some people to revise the Basic Law before 1997, and his ignorant and unreasonable remarks were extensively denounced by Hong Kong public opinion. Afterwards, he repeatedly argued and explained that it was his inadvertent mistake. This time, he thought he could launch a counterattack by seizing some excuses from Ambassador Guo's remarks. He not only summoned the Chinese ambassador to Britain for an urgent meeting but also hastily made public the representations' contents through a Foreign Ministry spokesman, but he failed to hit the right target in his counterattack. Instead of promoting mutual understanding and accommodation between China and Britain, and friendly cooperation to ensure Hong Kong's stability, his action has exposed his lack of seriousness in implementing the joint declaration.

Goodlad took up his post as minister with special responsibility for Hong Kong very recently. It is excusable if he has not had time to closely study the joint declaration and deviated from its spirit only for the moment. If so, Mr. Goodlad would be well advised to read the joint declaration a few more times to grasp its spirit accurately. But, if that is not the case, he has miscalculated the situation by intending to go in for something else, purposely deviating from the joint declaration. This can only end by bringing trouble to Hong Kong and endangering British interests.

Editorial on Local Conservatives' Beijing Tour

HK2306095092 Hong Kong WEN WEI PO
in Chinese 23 Jun 92 p 2

[Editorial: "One of the Symbols of Loving Hong Kong Is To Ensure Its Smooth Transition"]

[Text] The members of Cooperative Resources Center [CRC] visited Beijing, and some people ridiculed them by saying that they were "kowtowing" and being "presented to the emperor." Other people, however, hold that 1997 is coming, and any political group must face the future of returning to the motherland, admit China's influence on Hong Kong, and establish friendly exchange relations with China to lobby China and make it accept its own point of view.

The former point of view is biased. Why, when a certain political group went to a foreign country and asked it to impose sanctions against its own country, was this not "kowtowing" to the foreigners and being "presented to the emperor?"

Hong Kong is returning to the motherland, and the great undertaking in reunification is one which should be shouldered by every Chinese. What is wrong when Hong Kong compatriots conduct exchanges and dialogues with state leaders on matching the situation with the Basic Law and offer ideas on economic cooperation between Hong Kong and the mainland?

The historical trend in reunification is irresistible. In particular, to ignore Beijing's existence and the matching of the Basic Law to the situation after the signing of the Sino-British Joint Declaration is unwise. Governor Wilson, when summing up his five-year career, said: "During the past five years, the Chinese factor has had a growing impact on Hong Kong, and the Hong Kong Government has to consult China on certain matters. During the next five years, the Chinese factor will still grow, and Hong Kong people must learn to adapt to it."

CRC members visiting Beijing for an exchange of ideas, like Hong Kong Government officials strengthening communications and cooperation with Beijing, are all looking toward 1997, and establishing channels, private friendships, and working relations for future consultation and cooperation between the two places to facilitate smooth transition. CRC members also mentioned the problem of soaring housing prices in Hong Kong to Beijing leaders and hoped to solve the housing problem for the sandwich class. The allocation of a certain piece of land for building houses for the sandwich class requires lobbying work aimed at the Chinese members of the Land Committee. Thus, this kind of exchange is in accordance with the interests of Hong Kong people and is beneficial to stabilizing the people's standard of living in Hong Kong. If even these activities are unreasonably ridiculed and condemned, then whose interests are being represented by the opposers is a matter that needs no explanation.

Like Hong Kong's civil servants, the pro-establishment faction is also a force to participate in the future politics in Hong Kong.

The status of the Executive and Legislative Councils are clearly stipulated in the Letters Patent and Royal Instructions, and members of the two councils are only advisers to the Hong Kong Governor. Under this system, there is a limited participation in the administration of Hong Kong by Hong Kong people. Without being appointed by the Hong Kong governor, the pro-establishment faction will not have a chance to participate in Hong Kong's political affairs. This is an outcome of historical conditions, and Hong Kong compatriots understand it. In fact, the appointed members have also done a great deal of work for Hong Kong's political

stability and economic development, making contributions. Pro-British and loving Hong Kong are two different concepts. So long as they love Hong Kong, they should enjoy the support and respect of Hong Kong people.

Hong Kong is entering the latter phase of the transition period, moving toward 1997, and returning to the motherland. Regardless of which political parties and individuals, so long as they make efforts to safeguard Hong Kong's prosperity and stability, support the Basic Law, and support smooth and stable transition, they are the Hong Kong-loving faction. Whereas the factions which continuously sow discord among Hong Kong people, create and expand the conflict of interests between different strata, oppose the Basic Law, create conflict between Hong Kong and the mainland, create suspicion and confrontation between the two systems, advocate that China and Britain should not cooperate, hinder

smooth transition, and use political instability in Hong Kong as a price to exchange for small-group interests, are in fact jeopardizing Hong Kong's prosperity and stability, and using Hong Kong people's good standard of living as a chip. They are not a Hong Kong-loving faction, but an adventurist Hong Kong-jeopardizing faction.

If the adventurist faction enters the central decision-making core, they will bring about a great deal of controversy to the Executive Council and to the domain of Sino-British discussion, and Hong Kong will not have a peaceful day.

The two orientations have different effects on Hong Kong's prosperity and stability. More and more Hong Kong people will attach greater importance to stable transition and the matching of the situation to the Basic Law.

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